Daily Report

East Europe

FBIS-EEU-88-029
Friday
12 February 1988

Daily Report
East Europe

FBIS-EEU-88-029 *12 February 1988*

CONTENTS

BULGARIA

Human Rights Legislation Debated, Initiated 1
New Decree on Illegal Price Increases 1
State Council Decree *[RABOTNICHESKO DELO 6 Feb]* 2
Government Decree on New Wage Scales Published *[RABOTNICHESKO DELO 9 Feb]* 3
Proposals To Reform Court System Discussed 3
Egypt's Mubarak Receives Tanchev 4
Minister Stoyanov Arrives in Athens on Visit 5
Received by Deputy Premier 5
Meets With Greek Ministers 5
'Anonymous' Greek Diplomat on Balkan Talks 5
Moscow CEMA Executive Session Reviewed *[Gornenski in RABOTNICHESKO DELO 6 Feb]* 6
Political Consultations With Romania in Ruse 6
Cooperative Union Official Visits FRG 6

CZECHOSLOVAKIA

Government Lauds Gorbachev on Afghanistan 7
Jakes Receives Soviet Ambassador 9 Feb 7
Lenart, Colotka Meet New Soviet Consul 7
Gerle Receives Visiting USSR Minister 7
Broadcasting Plans for Soviet, Cable TV *[RUDE PRAVO 8 Feb]* 7
Bilak Receives Bulgarian Party Official 8
European Parliament's Plumb Receives Delegation 8
Site for Sixth Nuclear Power Plant Determined *[Vienna KURIER 12 Feb]* 8
Jakes Addresses National Front 8
Chnoupek Addresses Assembly Session 9
Janku on Resolution of Church Issues *[RUDE PRAVO 5 Feb]* 9
Pacem in Terris Endorses Pope's Peace Ideas *[Bratislava PRAVDA 11 Feb]* 10
Employers Monitor Private Phone Calls *[SMENA 6 Feb]* 11

GERMAN DEMOCRATIC REPUBLIC

USSR's Afghan Withdrawal Plan Supported 12
Further on West Berlin Mayor Diepgen's Visit 12
Honecker Receives Diepgen 12
Diepgen Calls Talks 'Constructive' *[DPA]* 13
Further Report 13
PRC Education Official Pays 1-Week Visit 13
Talks With Krolikowski *[NEUES DEUTSCHLAND 10 Feb]* 13
Meets With Margot Honecker *[NEUES DEUTSCHLAND 10 Feb]* 14
Talks With Hager 14
Greek Foreign Ministry Official Begins Visit *[Athens]* 14
Kleiber Meets Romanian Industry Minister *[NEUES DEUTSCHLAND 9 Feb]* 14
Krolikowski, Algeria's Bitat Discuss Relations 15
Krolikowski Receives Indonesian Official *[NEUES DEUTSCHLAND 9 Feb]* 15
Sindermann Receives Japanese Ambassador 15

HUNGARY

Banyasz Reports on Council of Ministers Meeting 16
'New Work Methods' Noted 16
Varkonyi Briefs Berecz on Foreign Ministry 17

Concern Over River, Stream Pollution *[MAGYAR HIRLAP 9 Feb]* 17
Briefs 17
Palestinian Official Holds Talks 17
New Gas, Oil Sites 18

POLAND

Daily Views Economic Talks With U.S. *[Broniarek in TRYBUNA LUDU 9 Feb]* 19
Orzechowski Makes Official Moscow Visit *[cross-reference]* 19
PZPR-SPD Working Group Meets, Seeks Proposals 19
Jaruzelski Receives SPD Group 20
AFP Coverage of Walesa Remarks Criticized 20
Human Rights Appeal Countered by PAP 20
Walesa, Wiesel Pay Homage at Former Death Camp *[TYGODNIK POWSZECHNY 31 Jan]* 20
Sejm Session Discusses Economic Action Plans 21
Analyses Reform Progress Made 21
Second Day of Session 23
Barcikowski Makes Speech 23
Communique on 1987 Plan Fulfillment *[RZECZPOSPOLITA 29 Jan]* 24

ROMANIA

Working People's Council Meeting Continues 40
Olteanu Speaks at Plenum *[SCINTEIA 6 Feb]* 40
Report on Other Speeches *[SCINTEIA 6 Feb]* 41
Soviet-Romanian Treaty Anniversary Observed *[SCINTEIA 4 Feb]* 41
Totu, Shevardnadze Exchange Messages *[SCINTEIA 4 Feb]* 42
Pacoste Attends Iranian Embassy Reception 42
Briefs 42
Trade Agreement With Cuba 42

YUGOSLAVIA

Government Spokesman Discusses Current Topics 43
USSR's Afghanistan Withdrawal 43
Iran, Iraq Talks 43
Mojsov Message to 'Arafat 43
Ties With Saudi Arabia 43
Waldheim, Relations With Austria 44
Waldheim Case Professor Praises Historians 44
U.S. Closure of UN PLO Office Criticized 44
Krunic Receives Greek Communist Party Group 44
DELO Comments on Mikulic Assembly Speech *[Petrovcic in DELO 4 Feb]* 45
Minister for Markets Interviewed on Price Rises *[BORBA 10 Feb]* 45
Sarajevo Tram Drivers' Strike Ends 45
Workers Strike Over Income Disparity 46
Pristina Bank Officials Dismissed *[BORBA 4 Feb]* 46

Human Rights Legislation Debated, Initiated

AU111911 Sofia BTA in English
1850 GMT 11 Feb 88

["Restructuring, Legislation and Humanitarian Issues"—BTA headline]

[Text] Sofia February 11 (BTA)—Today the Bulgarian MPs discussed concrete texts for perfecting the legislative and administrative practice of this country on humanitarian issues.

These are Criminal Code, Bulgarian Nationality Act and Passport Act Amendment Bills prepared by the Interagency Work Group.

The MPs, members of the Foreign Policy Committee, of the Committee on the Protection of Public Interests and Citizens' Rights and of the Committee on Legislative Affairs, held a lively debate taking into account the new stage in the development of the country, the processes of profound democratic changes in all spheres of life and the undertaken international commitments.

The bills would decriminalize passport offenses, replace criminal liability in these cases by administrative liability, ease passport issuing regulations, exclude the possibility for arbitrary refusals to issue passports and abolish some unjustified formalities concerning the travel of citizens abroad. The members of the National Assembly also discussed some issues related to the loss of Bulgarian citizenship which they suggested should only be administered as a last resort.

Mr Milko Balev, chairman of the Foreign Policy Committee, who is member of the Politburo and secretary of the CC of the BCP, stressed that the new model of socialism in Bulgaria implies qualitative changes in the rights and the freedoms, in the duties and responsibilities of the citizens. Noting that a restructuring is to take place in the legal system of the country, he expressed satisfaction over the initiative undertaken by Bulgarian public figures for establishing an Independent Public Committee on Human Rights Issues in this country. This fact matches the overall tendency in the development of socialist democracy in the Bulgarian society.

Mr Milko Balev further discussed certain international aspects of the humanitarian field. He said that the matters concerning human rights and fundamental freedoms are part of new political thinking in international relations and that Bulgaria attaches great importance to effective international cooperation in the humanitarian sphere which presupposes honouring the undertaken international commitments, strict observance of the principles of sovereignty, non-intervention in the domestic affairs of states, of the right to self-determination and respect for the laws of each state. Cooperation in this area is an integral part of the efforts towards the establishment of an all-embracing system of international security.

Mr Milko Balev declared himself in favour of joint action to solve the global humanitarian problems which cause grave concern among the international public. He stressed that it is inadmissible for ideological differences to be carried into international relations and that human rights issues should not be used for political provocations, for waging psychological warfare against the socialist countries, for whipping up tensions.

The chairman of the Foreign Policy Committee pointed out that humanitarian cooperation in the spirit of new political thinking on the international scene, at the CSCE. Meeting in Vienna included, will give a new forceful impetus to the Helsinki process. Bulgaria is convinced that a realization of the Soviet-proposed CSCE. conference in Moscow on the whole range of humanitarian problems will be a major step towards building constructive international cooperation.

New Decree on Illegal Price Increases

AU051729 Sofia BTA in English
1500 GMT 5 Feb 88

["For Preventing the Illegal Increase of Prices"—BTA headline]

[Text] Sofia, February 5 (BTA)—In order to prevent the attempts of separate enterprises, workforces and citizens to transgress against the price-formation regulations in the conditions of the transfer of socialist property to the workforces for managing and administration and of the introduction of economic levers, the State Council of Bulgaria has issued a decree envisaging strict sanctions against the transgressors.

When the enterprises and other commodity producers sell goods or carry out services at wholesale or retail prices higher than those set in the normative acts, the difference between the prices is regarded to be an illegal income and its double amount is paid in the state budget.

In cases of regular and large violations in the forming of the prices by the commodity producers, the total sum obtained from the sale of the good or services is confiscated in favour of the state.

Apart from the above mentioned sanctions, in cases of violations the production and trade organizations are obliged to restore the overpaid sums to the harmed organizations and citizens within a month. When the harmed citizens are unknown, the overdrawn sums are paid into the state Budget.

The decree also envisages strict sanctions against officials who sell goods and carry out services or permit the formation of prices in violation of the normative acts.

The decree stresses that the organizations should guarantee their higher efficiency as a result of the introduction of techno-scientific achievements, of progressive structural and qualitative changes in production and the revealing of untapped reserves.

State Council Decree

AU111446 Sofia RABOTNICHESKO DELO in Bulgarian 6 Feb 88 p 1

["Decree of the State Council of the People's Republic of Bulgaria on Preventing the Illegal Increase of Prices"]

[Text] With the placing of socialist property under the management and administration of the labor collectives, and through the economic regulators that have been established, conditions are created for fully realizing the initiative and capabilities of everyone in regards to the achievement of higher incomes from economic activity.

The introduction of scientific and technical achievements, of progressive structural and qualitative changes in production, and the opening up of new, previously unused reserves must result in ensuring higher efficiency. No pretext must be used to permit the rise in efficiency at the expense of unjustified increases in wholesale and retail prices by the production and trading organizations.

Actions by individual enterprises, collectives, and citizens in violation of the price regulations must be eradicated, and the guilty parties punished to the full extent of the law.

Severe penal measures are also to be applied against state organs and officials who fail to fulfill their obligations to exercise control over prices.

In connection with this, and on the basis of Article 94, Paragraph 2, Subsection 2 of the Constitution of the People's Republic of Bulgaria, the State Council decrees as follows:

Article 1. Under the conditions of self-management, the democratization of the procedure for determining and applying prices is to be utilized by the enterprises, labor collectives, and individual goods producers to expand and diversify the production of high-quality and competitive products, with stringent observance of the requirements of the laws and other normative documents.

Article 2. The state organs and consumer enterprises are not to permit the goods producers to illegally raise the prices of goods and services to the population and of goods for industrial use because of their position as monopoly producers or for other unfounded reasons.

Article 3. (1) When the enterprises and other goods producers sell goods and perform services at wholesale and retail prices higher than the proper prices according to the normative documents, the price difference is to be regarded as illegal income and double the amount of the difference is to be paid into the state budget.

(2) In cases of systematic or gross violations by the goods producers and trading organizations relating to the setting and application of prices, the entire amount obtained from the goods sold and services performed is to be confiscated for the benefit of the state.

(3) Production and trading enterprises which have sold goods or performed services at prices higher than those legally established are obliged, in addition to the sanctions laid down in the preceding subsection, to return the excessive amounts collected to the injured organizations and citizens within 1 month. Where the names of the injured citizens are not known, the excess amounts are paid into the state budget.

Article 4. (1) The guilty officials who have made sales or performed services at prices higher than those laid down, or who have permitted prices to be set in violation of the normative documents, are to be subject to a monetary fine. The amount of the fine is determined in accordance with Article 32, subsection 2 of the Law Concerning Administrative Breaches and Penalties, where they are not liable to a more severe penalty under Article 225 of the Penal Code. These penalties are also to be applied to officials who have failed to exercise the required control relating to the observance of the law for prices and price-setting.

(2) The penal sanctions according to the preceding subsection are to be issued by the minister of the economy and planning, by an official authorized by the latter, or by chairmen of the Executive Committees of the People's Councils.

Article 5. Glasnost is to be widely used by the mass media and the citizens, and the public and public organizations are to be actively involved, in controlling the precise adherence to the prices for goods and services.

Final Instruction [subhead]

Only paragraph. The fulfillment of the decree is entrusted to the Council of Ministers.

Published in Sofia on 4 February 1988 and sealed with the State Seal.

Todor Zhivkov, chairman of the State Council of the People's Republic of Bulgaria.

Nikola Manolov, secretary of the State Council of the People's Republic of Bulgaria.

Government Decree on New Wage Scales Published

AU101201 Sofia RABOTNICHESKO DELO in Bulgarian 9 Feb 88 p 2

[Unattributed report: "In the State Gazette"—boldface passages as published]

[Excerpts] Issue 11 of the State Gazette publishes the following documents of greater importance: [passage omitted]

Decree No 66 of the Council of Ministers and the Central Council of Bulgarian Trade Unions dated 30 December 1987 on approval of the new system of basic wages and improving the organization of wages in the self-managing organizations.

In 1988, depending on readiness, a start is to be made on introducing a fundamentally new system of basic wages and improving the organization of wages. In all self-managing organizations three qualification grades are to be introduced.

For workers:

a) grade one—for those with low qualifications who are entering the profession.

b) grade two—for those with middle-level qualifications; and

c) grade three—for workers with high qualifications and with secondary or higher education who have mastered professional knowledge, skills, and experience in carrying out work of high complexity and broad in scope and who regularly achieve high work results (master craftsmen).

For specialists, scientific workers, teachers in higher educational establishments, and others the following grades apply:

a) grade one—specialist (technologist, designer, planner, economist, doctor, teacher, etc.);

b) grade two—senior specialist (technologist, designer, planner, economist, doctor, teacher, etc.); and

c) grade three—chief specialist (technologist, designer, planner, economist, doctor, teacher, etc.).

For leaders: grades one, two, and three, depending on the indices and specific nature of the relevant self-managing organizations.

Workers move from grade to grade by examination. Specialists with higher education must have completed the appropriate special training. Young specialists remain in the first qualification grade for at least 3 years.

A Uniform Qualification Scale has been approved for basic monthly wages and salaries in all activities and types of production. The scale prescribes the following monthly starting salaries:

for workers: grade one, 140 leva; grade two, 200 leva; grade three, 300 leva;

for specialists and other workers with higher education: grade one, 230 leva; grade two, 350 leva; grade three, 450 leva; and

for leaders: grade one, 350 leva; grade two, 450 leva; grade three, 550 leva.

Supplements may be paid in addition to the labor remuneration received, depending on the specific nature and conditions of the work, in amounts and by procedures determined by the Council of Ministers and the Central Council of Bulgarian Trade Unions. The basic pay for every worker, specialist, and leader in each qualification grade may be increased without restriction, in relation to the results of his labor. [passage omitted]

Proposals To Reform Court System Discussed

AU101913 Sofia BTA in English 1656 GMT 10 Feb 88

["Restructuring and Bulgaria's Legislation"—BTA headline]

[Text] Sofia, February 10 (BTA)—What is most needed today is not decrees and other regulations but laws. A change is necessary also in the ratio between the Constitution of this country and the laws, decrees and other regulations, which at present favours the latter. As a result of this proportion, at present, in a number of cases it is the decrees and other regulations that determine the pattern of national legislation.

Last year was the 40th anniversary of the adoption of the first socialist Constitution of this country. During the years of socialist construction systematic efforts have been made for the improvement of this country's legislation in accordance with the changes in the social development but along with that certain problems have accumulated, which now, in the conditions of the construction of the new model of socialism, must be solved.

Generally speaking, the legislative superstructure of the society should be improved so that it would correspond to the principles of self-government and the transference of the socialist property for management by the work-teams, to the strengthening and development of socialist democracy.

The competent jurist circles are discussing actively the questions in this sphere. An interdepartmental commission has been established headed by Ms Svetla Daskalova, Bulgaria's minister of justice, which has been

entrusted with the task to review all decrees and regulations and then to propose definite changes. The idea that it is necessary firstly to make certain amendments to the Constitution and after that to the legislation found expression in the establishing of a commission on this problem.

As far as the decrees and other regulations are concerned, the problem here is that besides the confusion which has been created around them, they often are unconstitutional.. True, the Constitution in its current text empowers the National Assembly and the State Council to control the abidance by the laws but it is also true that this control is insufficient. That is why the possibilities are being discussed for the setting up of a constitutional court, or for broadening the powers of the Chief Prosecutor's Office or for transferring the role off the Constitutional Court to the Supreme Court. Now the chief prosecutor can question regulations and decrees issued by lesser authorities than ministries. The government decrees however, cannot be contested.

A proposal has been made to set up an Administrative Court in order to strengthen the control over the work of the administrative bodies. Another option is to broaden the competences of the Prosecutor's Offices. The current practice is that if a contradiction arises between two regulations, the courts enforce the one issued by the higher authority but the other regulations still remains in force.

Another matter which is currently being discussed is the attempts made to interfere in the affairs of the Courts and Prosecutor's Offices. One idea here is to elect the judges for life, and not for 5-years as is the current practice. Thus the justices' will not have to consider whether they will be reelected or not when carrying out their duties. Of course a provision will be made for the judges to be fired should it be discovered that they do not have the necessary qualities for carrying out their duties, to put it generally.

Certain matters related to the protection of the citizens' rights are also being discussed. The problems here are related to the prosecutor's supervision over the investigation, the legality of the means and methods employed by the latter and the role of the prosecutor in the trial.

Two working groups, set up recently, are studying all cases in which the accused had been acquitted but had been kept in detention before the trials. The working groups will have to find out whether there had been any abuses of power on the part of the investigating authorities, the prosecutors and the courts. Those responsible will have to meet the consequences of the groups' findings.

Ways are being sought to provide better legal protection to the persons who are under investigation or have been indicted. This means the making of a decision on when to give the accused the right to legal counsel (at the time of the arrest or at the time when the charges are officially announced).

Egypt's Mubarak Receives Tanchev

AU111251 Sofia BTA in English
1146 GMT 11 Feb 88

[Text] Cairo, February 11 (BTA correspondent)—President Husni Mubarak of Egypt received Mr Petur Tanchev, first vice president of the State Council, who is currently on an official friendly visit to Egypt.

The Bulgarian vice president handed the Egyptian head of state a message from State Council President Todor Zhivkov.

Mr Mubarak said that the bilateral relations are good and are developing well. Egypt is for their broadening and development in the interest of the two peoples, in the interest of understanding and peace in the world. The two countries' adherence to the ideas of peaceful coexistence, international security and non-interference in other countries' internal affairs, is a guarantee of the development of the bilateral relations.

The participants in the meeting emphasized the willingness of Bulgaria and Egypt to develop the contacts between their governments and Parliaments, to promote their business cooperation by increasing trade and by setting up joint companies and employing other forms of interaction. The cultural cooperation and tourism will also be activated.

It was pointed out at the meeting that Bulgaria and Egypt condemn the repressions against the Arab population of the Israeli occupied territories. The two countries stand for the convening of an international conference on the Middle East with the participation of all interested sides, the Palestine Liberation Organization included as the only legitimate representative of the Palestinian people. Egypt's president noted that the idea for such prestigious international forum finds support in all states and in the world public but it is hampered by the position of Israel.

The two sides expressed concern over the continuation of the war between Iran and Iraq and stood for its immediate cessation and for settlement of the disputable issues through peaceful negotiations on the basis of Resolution 598 of the UN Security Council.

The two sides stressed the great importance of the Soviet-American summit in Washington and of the INF Treaty as a considerable success of the new political thinking. This success of reason strengthens the hopes for a nuclear-free future of mankind.

Mr Petur Tanchev, secretary of the Bulgarian Agrarian Party and first vice president of Bulgaria's State Council, had a meeting with Mr Yusuf Amin Wali, secretary general of the National Democratic Party and deputy premier of Egypt. It was pointed out during the meeting that the traditional friendly relations between Bulgaria and Egypt serve as a good basis for enhancement of the

bilateral contacts in the political, economic and cultural sphere. Special attention was paid to the deepening of the business cooperation and to the use of new progressive forms of cooperation.

The two sides discussed the opportunities for development of the contacts between the Bulgarian Agrarian Party and the National Democratic Party which can contribute to the activation of the relations between Bulgaria and Egypt.

Minister Stoyanov Arrives in Athens on Visit

AU101216 Sofia BTA in English
1108 GMT 10 Feb 88

[Text] Athens, February 10 (BTA correspondent)—At the invitation of Mr Andonios Dhrosoyiannis, minister of public order of Greece, Mr Dimitur Stoyanov, minister of internal affairs of Bulgaria, arrived on an official visit to Athens today.

Interviewed for the Hellenic Radio and Television, Mr Dimitur Stoyanov expressed the hope that his visit will help strengthen the good-neighbour relations between the two countries and expand bilateral cooperation. He said that he will discuss with his Greek counterpart matters of mutual concern, including drug enforcement, combatting terrorism, fighting the illegal arms trade, etc. Mr Andonios Dhrosoyiannis said he was pleased with the visit of his Bulgaria colleague, which he described as another manifestation of the steady promotion of the friendly contacts between the two neighbouring countries.

Received by Deputy Premier

AU102028 Sofia BTA in English
1905 GMT 10 Feb 88

[Text] Athens, February 10 (BTA corr.)—Bulgaria's minister of internal affairs Mr Dimitur Stoyanov, who is on an official visit to Greece, was received today by Mr Ioannis Haralambopoulos, first deputy prime minister of the Hellenic Republic.

In a friendly atmosphere the two sides discussed questions of mutual interest concerning the further development of the friendship, goodneighbourly relations and cooperation between the two countries, in interest of peace and stability in the Balkans.

Meets With Greek Ministers

AU111958 Sofia Domestic Service in Bulgarian
1830 GMT 11 Feb 88

[Text] On 11 February in Athens official talks took place between Dimitur Stoyanov, Bulgaria's minister of internal affairs, and Andonios Dhrosoyiannis, Greece's minister of public order. They discussed the basic trends of developing cooperation between the competent organs of the two countries in the struggle against terrorism and crime, in blocking the illegal traffic of drugs and weapons, and other matters of mutual interest.

In their speeches during the official luncheon given by Andonios Dhrosoyiannis the two ministers described the visit as a new manifestation of the dynamic and stable development of friendship, good neighborly relations, and cooperation between Bulgaria and Greece. They expressed the common striving to develop further fruitful cooperation between the security organs of the two countries in the interest of their people, and understanding and stability in the Balkans.

Dimitur Stoyanov also met Apostolos Tsokhatzopoulos, Greece's minister of interior. They exchanges opinions on matters related to further developing Bulgarian-Greek relations.

Petur Slavchev, Bulgarian ambassador to Greece, gave a reception in honor of Dimitur Stoyanov. The reception was attended by Minister of Interior Apostolos Tsokhatzopoulos; Minister of Public Order Andonios Dhrosoyiannis; Minister of Merchant Marine Evangelos Yiannopoulos; Kharilaos Florakis, general secretary of the Central Committee of the Greek Communist Party; Colonel General Nikolaos (?Khuris), head of the Greek General Staff of National Defense; and generals and officers of the Greek Army and the security forces.

'Anonymous' Greek Diplomat on Balkan Talks

AU120850 Sofia BTA in English
0820 GMT 12 Feb 88

["Greek Diplomat on Balkan Cooperation"—BTA headline]]

[Text] Sofia, February 12 (BTA)—A high-ranking official of the Ministry of Foreign Affairs of Greece, who wished to remain anonymous, declared himself in KOOPERATIVNO SELO for wide-ranging cooperation among the Balkan states.

In an interview for the daily, published today, the diplomat gives a high assessment to the ideas for turning the Balkans into a zone free of nuclear weapons and for the ecological protection of the region.

Dwelling on the work of the forthcoming meeting of the foreign ministers of the Balkan countries in Belgrade, the representative of the Greek Foreign Ministry said that it should discuss those issues which unite the countries of this region and not those which divide them. According to him the Balkan countries can set an example to Europe how countries belonging to different blocs can cooperate and confer peacefully. This would be a contribution of small states to consolidating peace and security in Europe.

The interview also comments on the relations between Bulgaria and Greece. It observes that the Greek-Bulgarian Declaration for Friendship, Good-Neighbourliness

and Cooperation confirms the good relations between the two states, that it is important for the Balkans and for Europe as a whole and that it is an example to be followed by the other Balkan states as well.

The diplomat stressed that the good political relations between Bulgaria and Greece are a condition for activating the bilateral contacts in trade and economy and cooperation in other spheres of life.

Moscow CEMA Executive Session Reviewed

AU111541 Sofia RABOTNICHESKO DELO in Bulgarian 6 Feb 88 p 5

[Commentary by Petur Gornenski: "Process of Deep Renewal"]

[Text] The main conclusion following the 126th session of the CEMA Executive Committee is that the stage of radical change on the path toward increasing the effectiveness of cooperation between the fraternal countries is increasingly characterized by a further definition and enhancement of the preconditions for restructuring the mechanism of socialist economic integration.

The issues discussed at the session may be divided into a number of trends. The specific subject up for discussion and decisionmaking was cooperation in creating a single unified base for electronics products and production problems relating to the application of electronics. It is well-known that the application of electronics is a first priority in the Comprehensive Program for Scientific and Technical Progress of the CEMA Member Countries for the Period Until the Year 2000. This is why the creation of conditions for speeding up fulfillment of the tasks set in this field provides an important impetus for sharply raising the technical and quality levels of joint developments, which in turn will ensure greater efficiency in the economic activity of the individual member-countries.

The results of the discussion on another specific subject, namely, cooperation in transportation, are of equally great importance. One of the principal issues in this area is the technical reequipment of transportation, in which about 50 scientific research and planning-design collectives are participating from the member countries. However, it must be pointed out that the necessary linkage of scientific and technical cooperation has not yet been ensured in this work; parallel development work is being conducted on many problems, which adversely affects the results.

Organizational issues were another important topic in the work of the session that has just ended. The measures mapped out to further improve the legal basis of the cooperation are aimed at more actively promoting the expansion of direct economic and scientific-technical links. The implementation of these measures will undoubtedly ensure conditions for further raising the efficiency of these links and increasing the results achieved by the integrated labor collectives.

The new structure of the CEMA Secretariat that has been approved and the measures to reorganize the secretariat's work are indicative of the decisive steps taken in implementing the radical renewal and improvement of integrational activity outlined at the 43d (extraordinary) CEMA session.

The topicality and importance of the measures discussed and approved at the 126th session of the CEMA Executive Committee stem primarily from the direct organic link of the restructuring in mutual cooperation with the profound renewal processes in the fraternal countries. This restructuring, in conformity with the requirements of the objective laws of modern development, forms a solid basis for the planned radical qualitative change in further socialist construction.

Political Consultations With Romania in Ruse

AU061743 Sofia BTA in English 1629 GMT 6 Feb 88

[Text] Sofia, February 6 (BTA)—Working delegations of the Ministries of Foreign Affairs of Bulgaria and Romania, headed by Mr Ivan Ganev, deputy minister of foreign affairs, and by Mr Aurel Duma, minister secretary of state, held political consultations in the city of Ruse on February 6, 1988. They exchanged views on a wide range of questions in connection with the upcoming Balkan foreign ministers conference, as well as on other matters of bilateral concern.

The sides ascertained a complete identity of their positions on the objectives and tasks of the forthcoming Balkan diplomatic forum and expressed their preparedness to contribute to the success of the Belgrade conference.

Cooperative Union Official Visits FRG

AU071747 Sofia BTA in English 1930 GMT 6 Feb 88

[Text] Bonn, February 6 (BTA correspondent)—At the invitation of the Free Democratic Party, visiting the Federal Republic of Germany from February 2 through 6 was a delegation of the Central Cooperative Union, led by Mr Ivan Pekhlivanov, president of the union.

The delegation was received by Mr Wolfgang Mischnick, the FDP floor leader in the Bundestag. They examined in detail questions concerning bilateral economic cooperation and the opportunities for the introduction of new forms of commercial and economic exchanges between small and medium-sized companies in the two countries.

The Bulgarian cooperative delegation held talks at the Federal Ministries of Agriculture and of Economics and with representatives of the state governments and of individual industrial agricultural companies in the federal states of Rhineland-Palatinate, Hesse and Bavaria.

Government Lauds Gorbachev on Afghanistan

LD111442 Prague CTK in English
1250 GMT 11 Feb 88

[Text] Prague Feb 11 (CTK)—"The initiatives are a significant expression of new political thinking in international relations. They are linked up with the positive achievements in Afghanistan during the implementation of the national reconciliation policy, Czechoslovak Foreign Ministry Spokesman Dusan Rovensky said in a statement referring to Mikhail Gorbachev's recent document on a political settlement of the situation in Afghanistan.

In the statement published here today, Dusan Rovensky stressed Czechoslovakia's full support for the policy of national reconciliation in Afghanistan, which creates a real political platform for a just peace settlement of the situation in harmony with the wishes of the Afghan people. This policy reflects the wisdom and responsibility of those Afghan political officials who care about the present and the future of their country.

Czechoslovakia is convinced that a political settlement of the conflicts in Afghanistan will positively influence the solution of other regional conflicts still posing a serious threat to peace and security in the world, the statement pointed out, adding that Czechoslovakia resolutely supports the initiatives contained in Mikhail Gorbachev's statement of February 8, 1988, representing a fundamental step towards a comprehensive settlement of the Afghan conflict.

Jakes Receives Soviet Ambassador 9 Feb

LD092023 Prague Domestic Service in Czech
1700 GMT 9 Feb 88

[Text] Milos Jakes, general secretary of the CPCZ Central Committee, today received Viktor Lomakin, ambassador of the USSR to Czechoslovakia. They discussed some topical questions of Czechoslovak-Soviet cooperation.

Lenart, Colotka Meet New Soviet Consul

LD091831 Bratislava Domestic Service
in Slovak 1130 GMT 9 Feb 88

[Text] Jozef Lenart, CPCZ Central Committee Presidium member, CPSL Central Committee first secretary, today received Petr Kuzmich Kostikov, new Soviet general consul in Bratislava. Comrade Lenart informed him about the tasks facing communists and all workers in Slovakia in the implementation of the program of the 17th CPCZ congress and the CPSL congress during the period of acceleration of society's economic and social development.

The new Soviet general consul was also received during his inaugural visit by Peter Colotka, premier of the Slovak SR government, and Viliam Salgovic, chairman of the Slovak National Council.

Gerle Receives Visiting USSR Minister

LD090454 Prague Domestic Service in Czech
2300 GMT 8 Feb 88

[Text] Ladislav Gerle, deputy federal premier, received in Prague Aleksandr Yezhevskiy, the minister of tractor and agricultural machine building of the USSR, who is in Czechoslovakia on a working visit. The two representatives discussed the course of cooperation in the development of agricultural technology.

Broadcasting Plans for Soviet, Cable TV

AU111340 Prague RUDE PRAVO in Czech
8 Feb 88 p 5

[Pavel Novy article: "New Transmitters and Cable System"]

[Excerpts] Broadcasting of Soviet television's central program began in Prague in fall 1983. At first, it was a small transmitter located in the tower of the telecommunications building in Zizkov. The present 2KW transmitter already covers 72 percent of the Prague area. The extent of this broadcast has gradually been increased throughout the Republic. The Soviet program is now being broadcast in Bratislava, Brno, Ostrava, Plzen, Ceske Budejovice, and Banska Bystrica, and small transmitters or relay stations make it possible to receive the program in other places in the Czech Lands and Slovakia.

The Soviet television program can currently be received on about 15 percent of Czechoslovakia's territory. In view of the fact that, as a rule transmitters, are located near big cities, about one-fourth of our population has the possibility of receiving it.

The development of space communications has made possible the fairly rapid buildup of the network of transmitters for Soviet television programs in our republic. [passage omitted]

A plan of the Federal Ministry of Communications for the further development of this type of telecast reckons with building 8 transmitters and about 15 relay stations in the current 5-year plan. The new transmitters are expected to be built in Zilina, Lucenec, Mikulov, Svitavy, Chomutov, and Domazlice.

Thus, it is obvious that the transmission of Soviet television programs will continue to be expanded. On the other hand, however, the capacity of the television frequency bands does not make it possible for our communications (in contrast to the two Czechoslovak programs) to cover the entire territory of the republic with the Soviet program. This has objective causes, arising from our possibilities and overall intentions concerning the further development of television broadcasts in the CSSR. [passage omitted]

In cooperation with the Soviet Union we reckon to have direct television program broadcasts via satellite, beginning after 1990. The technical preparation for this is contained in the Interkosmos program and constitutes a part of the Comprehensive Program for Scientific-Technical Cooperation of the CEMA Countries Through the Year 2000. [passage omitted]

It is possible to assume that, after the start of the transmission of Czechoslovak television programs via satellite, one will make use of the existing cable system to also broadcast the Soviet program. Experimental cable systems currently exist in Prague-Bohnice and in Banska Bystrica, and their construction is being prepared in Bratislava and some other places of our republic. [passage omitted]

Bilak Receives Bulgarian Party Official
LD111752 Prague Domestic Service in Czech 1600 GMT 11 Feb 88

[Text] Vasil Bilak, Presidium member and secretary of the CPCZ Central Committee, received today Georgi Stoyanov, deputy departmental head of the Central Committee of the Bulgarian Communist Party. They briefed each other on topical questions of the two fraternal parties on the restructuring process. Vasil Bilak and Georgi Stoyanov discussed methods and forms of party work and expressed the conviction that the plan of mutual cooperation, agreed on today, will contribute toward further development of Czechoslovak-Bulgarian relations.

European Parliament's Plumb Receives Delegation
LD092036 Prague CTK in English 1926 GMT 9 Feb 88

[Text] Strasbourg Feb 9 (CTK correspondent)—President of the European Parliament Henry Plumb received here today a delegation of deputies of the Czechoslovak Federal Assembly, led by its First Deputy Chairman Jan Marko.

Henry Plumb called for the normalization of relations between the Council for Mutual Economic Assistance and the Common Market and stressed its great political and economic significance for the whole of Europe.

The Czechoslovak deputies met also with representatives of the Socialists, Christian Democrats and Communists represented in the European Parliament. They underlined Czechoslovakia's participation in the strengthening of European security and cooperation and pointed out the significance of the continuation of the current process.

The Czechoslovak deputies attended a press conference which dealt above all with questions connected with the future relations between the CMEA and the Common Market. Jan Marko and other members of the delegation answered a number of questions concerning the policy of restructuring in Czechoslovakia and other possibilities of deepening the relations between Czechoslovakia and the Common Market. They underlined that the aim of the first visit of the Federal Assembly deputies to the seat of the European Parliament is to achieve greater understanding with the political parties of Western Europe with the help of a constructive dialogue.

Site for Sixth Nuclear Power Plant Determined
AU121346 Vienna KURIER in German 12 Feb 88 p 5

[Exclusive report: "CSSR: Site for Sixth Nuclear Power Plant Has Now Been Determined"]

[Text] Both the independent Slovak environment movement "Nahlas" and a Brno enterprise gave the following exclusive information to KURIER: Our neighboring country, the CSSR, has finally determined the site of a sixth nuclear power plant—without officially informing Austria. It will be situated in north Moravia near the town of Hranice.

The start of construction work is scheduled for 1993 and the capacity of the power plant is projected at two times 1,000 megawatts. Strict rules for the protection of the environment have allegedly been stipulated. In the CSSR five nuclear power plants are currently in operation or under construction.

Jakes Addresses National Front
LD111924 Prague CTK in English 1816 GMT 11 Feb 88

[Text] Prague Feb 11 (CTK)—Czechoslovak Communist Party General Secretary Milos Jakes said today that efforts were being made in Czechoslovakia to speed up the process of restructuring social life and democratization.

Jakes was addressing a national meeting of secretaries of regional, district and municipal committees of the National Front, which groups Czechoslovakia's political parties and social organizations. The party leader was elected the chairman of the Front's Central Committee earlier this month.

Jakes said the purpose of the measures adopted to deepen democracy was to enable the people to take a far more active part in building socialism and settling all problems connected with it.

He went on to point out it would be up to the National Front and its organizations "to persuade the people of the rightness of our efforts." The main task of the Front's bodies, he said, will be to encourage its member organizations to work independently, "to see to it that bureaucracy, paperwork and fruitless meetings are eliminated, to make them consult people on all issues."

An irreplaceable part in this is to be played by the staff of National Front bodies, whose number must be reduced through a higher voluntary participation of people in management. At the same time, however, their qualifications must be raised, he added.

Jakes also stressed the need for greater efforts to intensify the economy, to apply scientific-technological knowledge to a greater extent, to reduce costs and achieve a better quality and organization of production. A no less important task was to fight for order and discipline, against inertia, indifference and irresponsibility, he added.

He further said that important anniversaries this year such as the 70th anniversary of Czechoslovakia's foundation and the 40th anniversary of the February 1948 events should be used to draw a lesson from history. He also said that "20 years will pass since the crisis events of 1968 from which a lesson has been drawn and is valid also at present."

Jakes pointed out that "it will be necessary to expose the influence of hostile propaganda which will try to use these anniversaries to disorientate our citizens, to make use of past errors, speak of the lack of freedom and prove 'failures' in the building of socialism." This includes also attempts to set the church against the state, to misuse believers as a tool for weakening progress, he said.

Chnoupek Addresses Assembly Session

LD111454 Prague Domestic Service in Czech 0700 GMT 11 Feb 88

[Text] Foreign Minister Bohuslav Chnoupek yesterday spoke about current international political questions at a joint meeting of the foreign committees of both chambers of the Federal Assembly, which will continue today. He noted the positive changes in the international situation and stressed the importance of the Soviet-U.S. Treaty on the Elimination of Intermediate- and Shorter-Range Missiles. He gave detailed information about the initiatives of the Soviet Union and of other socialist countries aimed at consolidating peace and cooperation in the world, and he spoke highly of the Soviet effort to implement new political thinking. Comrade Bohuslav Chnoupek also informed the deputies of the two chambers' foreign committees about the aims of Czechoslovak foreign policy this year.

Janku on Resolution of Church Issues

AU111421 Prague RUDE PRAVO in Czech 5 Feb 88 pp 1,2

[Interview with Vladimir Janku, deputy minister-director of the CSSR Government Secretariat for Church Affairs, by CTK: "We Are Interested in the Serious Solution of Open Church Issues"—date and place not given.]

[Text] Prague—A Vatican delegation, led by Archbishop Francesco Colasuonno, concluded its stay in Czechoslovakia on Friday 29 January, after conducting negotiations with a Czechoslovak Government delegation which was led by Vladimir Janku, deputy minister-director of the CSSR Government Secretariat for Church Affairs. The latter has granted CTK an interview.

[CTK] What were the course and results of the negotiations?

[Janku] A joint press communique on these negotiations has been issued, which states that the talks have contributed toward a deeper understanding of issues of common interest and would be continued in Rome in the near future. This makes it obvious that the negotiations (particularly on the problems of filling vacancies for bishops in certain dioceses) have not been concluded. The ethics of negotiations commands respect for the sensitive nature of the problems involved, by refraining from disrupting the negotiations which are in progress; and we adhere to this.

[CTK] But you yourself must have noticed that certain Western communications media are not burdening themselves with such ethics to any great extent.

[Janku] Regrettably, you are right on this point. For instance, the American agency UPI reported from Rome on 1 February (going so far as to refer to its interview with the head of the Vatican delegation) that, and I quote, "the core of the conflict is the Czechoslovak Government's negative attitude to the appointment of new bishops as proposed by the Vatican, if these persons are not members of the pro-governmental organization Pacem in Terris." I would first like to express the view that Archbishop F. Colasuonno, my partner in the negotiations, has made no such statement—in fact, he could not have made it, since it does not correspond to the truth. The claim made by the Western communications media that the Czechoslovak state allegedly considers acceptable solely the bishops from among the ranks of the Pacem in Terris Association of the Catholic Clergy is simply untrue. On the other hand (and the Czechoslovak representatives have stressed this on several occasions), any procedure discriminating against certain members of the clergy solely because they, while fulfilling their clerical duties, are also energetically striving to preserve peace and life on earth, and at the same time contributing toward strengthening the true authority of the Roman Catholic Church in our socialist society and consolidating its good relations with the state, is unacceptable for Czechoslovakia. Such discrimination is unacceptable, not only from the civic, but also from the legal and moral viewpoints.

[CTK] The topics flogged most by the Western communications media include those of inadequate staffing of vacant bishoprics. At the same time, they claim that the CSSR Government is allegedly "insisting on its own candidates" during the negotiations.

[Janku] You are most probably referring to a recent article carried by the Austrian paper DIE PRESSE, somewhat quaintly entitled "Frostily, and Without Compromises" and (put delicately) that distorts reality.

First, permit me a marginal remark:

Until last year, the Western communications media claimed that only 3 of the 13 Czechoslovak dioceses are filled. Two bishops have died since then, but they are claiming again that only 3 of the 13 dioceses are filled. Obviously there is a certain discrepancy here, and not merely in the mathematical sense. The reality is that 5 of the 12 Roman Catholic dioceses have been filled with bishops in the past; the rest were (and still are) administered by chapter vicars. At present, after the death of two bishops, 3 of the 12 dioceses are staffed with residentiary bishops.

The Czechoslovak Government does not claim the right to appoint bishops; this is a matter concerning the Vatican. However, it has already become a tradition for our government to voice its stand with regard to the candidates. It must also be noted that, of all the churches and religious societies operating in the CSSR, this is the only case in which such matters (and the supreme administration of a church in general) are not decided by the domestic church, but by alien headquarters. At the same time, the office of bishop also enjoys considerable influence and authority in our own society. Although the absolute majority of the believers of all churches (including the Roman Catholic Church) are primarily good and orderly citizens who are building their fatherland, the church and its dignitaries nevertheless exert a certain influence on the believers' way of thinking and on the attitudes they adopt. That is why our society cannot be indifferent toward the kind of people representing the church.

It must be stressed that the demand for a bishop's loyal attitude toward the state does not represent a conflict problem. In fact, during his talk with the CSSR President in 1985, Cardinal Casaroli, the Vatican's state secretary, himself declared that the demand for good relations with the state is also an unconditional canonical demand, placed upon candidates for a bishop's office. This demand is also the basis and decisive viewpoint of Czechoslovakia's approach to assessing the candidates submitted by the Vatican side. However, practice shows frequent vestiges of old stereotypes, old ways of thinking. This is understandable. The Vatican curia is also influenced by emigres, who are not interested in good relations and who have founded their living and their careers on the very opposite. Apart from that, there is the impact of certain domestic structures. Obviously, a certain lapse of time, a certain knowledge is needed for realism and the demand for new thinking to assert itself on both sides. Currently, the truly crucial issue is bilateral goodwill. With this prerequisite, it will be possible to overcome the present stage of affairs and to make substantial progress.

[CTK] Certain circles in the West are repeatedly reverting to the claim that the Czechoslovak state is allegedly not only not interested in filling the vacant bishoprics, but would even like to deprive the Roman Catholic Church of bishops altogether.

[Janku] Czechoslovakia expresses its interest in filling the vacant seats with ordained [radny] bishops, not merely in words, but also, and above all, by the specific course it is pursuing. In the last few years it was the Czechoslovak side in particular which insistently demanded the solution of this issue in harmony with the agreed principles and criteria. In fact, in the past the Czechoslovak side expressed its willingness to resolve (for instance) the issue of filling all vacancies by appointing to the office of bishop all those who are administering the dioceses in reality.

Whether certain forces actually do not want our Catholic fellow-citizens to have bishops is a totally different question. I believe that this question must be answered in the affirmative. It cannot be considered mere coincidence that, at the very time when negotiations between the state and the Roman Catholic Church on the solution of certain specific problems are in progress, at the very time when mutual relations between the state and the Vatican have reached a promising stage in negotiations, certain forces both abroad and in our own country have begun, so to speak, to "sound the alarm," and to organize various campaigns of slander and pressure. The reason for this is quite simple. What they are striving for, contradicts the true interests of both the believers and the church. The absolute majority of Roman Catholics in our country are energetically helping to build our fatherland, while at the same time asserting their faith. The circles mentioned above are concerned with misusing the church and religion for political goals. They would like to provoke tension and confrontation.

Our negotiations will continue. People who are really interested in positive results should not disrupt them by misinformation or various campaigns.

We are interested in the serious, bilaterally acceptable solution of the open issues. On the basis of our negotiations with the Vatican delegation, I would like to voice the conviction that the Vatican curia realizes all these interconnections. This is the way for the Roman Catholic Church to have good bishops in the CSSR, both from the viewpoint of church demands, and from the viewpoint of real loyalty toward the socialist society and state.

Pacem in Terris Endorses Pope's Peace Ideas

AU121156 Bratislava PRAVDA in Slovak 11 Feb 88 p 2

[CTK report: "Federal Committee of the CSSR Pacem in Terris Association Held Meeting; Striving for a World Without Wars"]

[Excerpts] Brno—The Federal Committee of the CSSR Pacem in Terris Association of Catholic Clergymen held a meeting in Brno yesterday [10 February]. The meeting

was presided over by its chairman, Professor Doctor of Theology Frantisek Vymetal.

In the working part of the meeting, which was rich in discussion and suggestions, the participants discussed the association's peace activity at home and abroad this year. The inspiration for the further active participation of the association's members regarding the preservation of peace and friendship among people of goodwill is an ever topical legacy of the ideas of the world-renowned Peace on Earth encyclical of Pope John XXIII. All people who yearn for just and lasting peace were already impressed by the encyclical 25 years ago. The participants in the meeting regard it as a matter of course to creatively implement the peace ideas of Pope John Paul II within their activity. [passage omitted]

Frantisek Jelinek, Czech deputy minister of culture and director of the Secretariat of the Government of the Czech SR for Religious Affairs, informed the participants about topical church-political problems. He stressed that further positive results can be achieved only in an atmosphere of mutual trust, undisturbed by a unilateral approach to their solution. At the same time, he expressed full support for the patriotic and peace activity of the CSSR Peace in Terris Association of Catholic Clergymen.

Employers Monitor Private Phone Calls

AU092036 Bratislava SMENA in Slovak 6 Feb 88 p 5

[Interview with Doctor of Law Eva Babiakova, senior prosecutor of the Slovak General Prosecutor's Office, by Juraj Gressner: "Unpopular But Justified Measures Against Telephone Misuse"—place and date not given]

[Excerpts] Our editorial office has received an indignant letter. The writer complains that the telephone exchange of the organization in which he is employed has recently begun monitoring telephone calls...

[Gressner] Do managers of organizations have the right to issue such an unpopular order?

[Babiakova] First of all, one must say that such an order is not at variance with our legal order. Besides this attests to the fact that, within the framework of their organizations, some ranking personnel have decided to adopt effective measures to ensure the protection of common property.

[Gressner] It is no secret that in many places telephones are being literally misused for private calls, and not just locally, but also for long-distance calls within the country, and even abroad...

[Babiakova] According to Law No 110/1964 of the Collection on Telecommunications, principle organizations are using the unified telecommunications network for paid telecommunications contact. On the basis of a permit issued by pertinent communications directorates, an organization—according to Decree No 144/1973—can set up and use a non-public telecommunications facility, which is connected to the unified telecommunications network. However, organizations suffer great losses as a result of misuse of the telephone network; at the same time, our legal order contains a number of regulations which directly entrust citizens with the task of safeguarding national property! [passage omitted]

[Gressner] Thus, measures to monitor calls are in harmony with the aforementioned duties?

[Babiakova] Yes, they are, even though one has to say that monitors—according to Article 20 of Paragraphs 1 and 3 of Law No 110/1964 on Telecommunications—have the duty to keep silent concerning the content of transmitted messages.

[Gressner] To whom can they convey them?

[Babiakova] To a worker [pracovnik] who has been authorized by the organization, and who is empowered to ensure the prosecution of those who misuse official telephones for private business, by which they cause losses to the organization. [passage omitted]

USSR's Afghan Withdrawal Plan Supported

LD112023 East Berlin ADN International Service in German 1758 GMT 11 Feb 88

[Text] Berlin, 11 Feb (ADN)—The GDR welcomes the agreement between the USSR and the Republic of Afghanistan to begin on 15 May and complete within 10 months the withdrawal of Soviet troops stationed in Afghanistan, given the successful and punctual conclusion of the indirect Afghan-Pakistani talks being held in Geneva. This was stated to foreign journalists by GDR Foreign Ministry Spokesman Ambassador Wolfgang Meyer in Berlin Thursday.

Along with the Soviet Union and the other allied socialist states, the GDR has always supported the elimination of conflict by peaceful means through constructive dialogue and with respect for the legitimate interests of all involved. It was filled with satisfaction that the national reconciliation process introduced by the Afghan Government has established favorable conditions for ending the conflict, which was the source of so much suffering for the Afghan people.

All interference in Afghanistan's internal affairs must now stop, the spokesman stressed, to facilitate the return of the Soviet troops to their homeland, a date which has now been set. The GDR also shares the view of President Najibullah that the continuation of the national reconciliation process and the creation of a coalition government in Afghanistan is the business of the Afghan people alone. In conclusion, the spokesman assured that the GDR will continue to support the striving of the Afghan people for a peaceful future in an independent, neutral, and nonaligned Afghanistan.

Further on West Berlin Mayor Diepgen's Visit

Honecker Receives Diepgen

LD111606 East Berlin ADN International Service in German 1415 GMT 11 Feb 88

[Text] Berlin 11 Feb (ADN)—Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR Council of State, received Eberhard Diepgen, governing mayor of West Berlin, in Schloss Niederschoenhausen on 11 February 1988 for a talk.

Erich Honecker and Eberhard Diepgen agreed that the preservation of peace is the central task of the present time. They acknowledged the results of the meeting between Mikhail Gorbachev and Ronald Reagan as an event with far-reaching implications. The Treaty on the Elimination of Intermediate- and Shorter-Range Missiles is of historic importance in the struggle for disarmament and the safeguarding of peace.

The GDR, Erich Honecker stressed, will do everything possible for its realization and will eliminate the shorter-range INF weapons on its territory earlier than originally envisaged. The chance offered by the treaty for a turning point in international relations must not be allowed to be wrecked by a new arms build-up in other spheres.

The partners in the talk reaffirmed the common obligation of all who carry responsibility on German soil to ensure that never again should war, but only peace, emanate from there. Now it is a matter of redoubling efforts in order to achieve further progress on the path of nuclear disarmament. It was stressed that the bringing about of an agreement on a 50 percent reduction in strategic offensive weapons of the USSR and the United States, with strict observance of the ABM Treaty and a ban on nuclear weapons tests and on chemical weapons, stand in the foreground.

Erich Honecker pointed to the need to reduce the tactical weapons remaining in Europe and finally to eliminate them. It is important to reach agreement in Vienna on the mandate for negotiations on conventional disarmament from the Atlantic to the Urals. Regional solutions such as the creation of a nuclear weapons-free corridor or a chemical weapons-free zone will encourage further-reaching disarmament measures.

Erich Honecker stressed that the GDR regards the further improvement of the situation concerning West Berlin and the development of goodneighborliness as an indispensable element in the safeguarding of peace and of a common European house.

There was agreement that the Four-Power Agreement of September 1971, which had a positive effect on the situation in the center of Europe and on East-West relations, must continue to be strictly adhered to and fully applied. Also in relations between the GDR and West Berlin it is important for reason and goodwill to become determining factors and for more trust to be created through cooperation. Both sides stressed that the basis for this is respect for existing realities and observation of the treaties signed.

Erich Honecker and Eberhard Diepgen praised the positive results achieved since their meeting in 1986 and 1987 in the development of cooperation and in tourist and visitors' traffic. They were in agreement that despite different standpoints in political, ideological and juridical questions, mutual relations should be shaped in such a way that they benefit goodneighborliness and promote security and cooperation in Europe.

The representatives of the GDR and West Berlin spoke in favor of further expanding trade and economic activity on the basis of mutual benefit and of continuing the negotiations on the reconstruction of installations of the German railway in West Berlin, on a further exchange of territory, and on other questions of mutual interest, including the development of local government contacts with the aim of bringing about further practical improvements.

The governing mayor welcomed the improvement in transport links, especially with regard to rail traffic, intended to considerably reduce travelling times, which is envisaged in the joint communique of 11 September 1987 on the official visit to the FRG by Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR Council of State. The conclusion, meanwhile, of negotiations on the taking of electrical power from and its supply to the FRG, with the inclusion of West Berlin, was described by both sides as a step toward realizing the agreed projects.

Erich Honecker and Eberhard Diepgen described their exchange of views as useful and were in favor of continuing the contacts.

Taking part in the talk, on the GDR side, were State Secretary Frank-Joachim Herrmann, head of the chancery of the chairman of the Council of State; and Dr Walter Mueller, representative of the GDR government. Governing Mayor Eberhard Diepgen was accompanied by State Secretary Dr Detlef Stronk, head of the Senate chancery, and Senate Representative Gerhard Kunze.

Diepgen Calls Talks 'Constructive'

LD111343 Hamburg DPA in German 1235 GMT 11 Feb 88

[Excerpt] East Berlin (DPA)—GDR state and party leader Erich Honecker and Berlin Governing Mayor Eberhard Diepgen had a talk lasting more than 2 hours at Schloss Niederschoenhausen in East Berlin on Thursday morning. Afterward Diepgen described the exchange of views as "constructive." The talk with Honecker also "led to some results," Diepgen told journalists outside the Federal Republic's Permament Mission in East Berlin. He then told State Secretary Hans Otto Braeutigam in the mission about his meeting with Honecker.

In a first comment to the press Diepgen spoke of a "positive atmosphere" at the exchange of views with Honecker. All essential questions were discussed. He wanted to give details in West Berlin following his stay in the mission. The rapid briefing of Braeutigam was aimed to stress Berlin's links with the federation.

The topics at the talk with Honecker included questions concerning visits and traffic, the exchange of territory, and joint environmental protection projects. [passage omitted]

Further Report

LD112227 East Berlin ADN International Service in German 1738 GMT 11 Feb 88

[By ADN correspondent Hannelore Koard]

[Excerpts] (West) Berlin, 11 Feb (ADN)—(WEST) Berlin Mayor Eberhard Diepgen has described his talk with Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, as constructive and open. At a news conference at Schoeneberg Town Hall, Diepgen said that in his exchange of views with Erich Honecker questions related to disarmament and the initiatives and positions of the two states in Germany in this sphere had been discussed. [passage omitted]

Diepgen said that questions concerning economic policy, cultural policy, and environmental protection had also been discussed. They had agreed that further talks should take place, namely result-oriented talks by representatives. He did not want to give a verdict on every detail at this point, since over 20 individual subjects had been discussed. He wanted to pick out four aspects. The GDR had declared its readiness to provide data on emissions from the Schoeneiche special waste combustion plant which is to be constructed. The GDR had agreed to promote the introduction of contacts between (West) Berlin city districts and GDR towns. It had been proposed to initiate contacts between Zehlendorf and Koenigs Wusterhausen and Spandau and Nauen. An agreement on the still unresolved issue of territorial exchanges was also achieved. In addition, inhabitants of (West) Berlin in the future may return from visits to the GDR capital by 2400 hours of the 2d day. [passage omitted]

Diepgen replied in the affirmative to a question whether he had received an answer to the concern he expressed about events in the GDR capital. Mr Honecker had argued that the right to freedom of opinion had not been violated in this case, but that GDR law had been violated here. [passage omitted]

PRC Education Official Pays 1-Week Visit

Talks With Krolikowski

AU111434 East Berlin NEUES DEUTSCHLAND in German 10 Feb 88 p 1

[Text] East Berlin (ADN)—In Berlin on Tuesday [9 February] Werner Krolikowski, first deputy chairman of the GDR Council of Ministers and member of the SED Central Committee Politburo, received for a friendly talk He Dongchang, first deputy chairman of the PRC National Academic Degrees Commission, who is in the GDR on a 1-week visit. Both sides paid tribute to the positive development and further strengthening of the comprehensive relations between the two parties, states, and peoples on the basis of the agreements reached during the official friendship visit to the PRC by Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, and during the visit to the GDR by Zhao Ziyang, general secretary of the CPC Central Committee.

Werner Krolikowski briefed his visitor on the implementation of the resolutions of the 5th SED Central Committee Session aimed at realizing the SED's domestic and foreign policy strategy outlined by the 11th SED Congress, and stressed the interrelationship between the struggle to safeguard peace and the work to further shape the developed socialist society in the GDR.

He Dongchang explained the resolutions of the 13th CPC Congress regarding the PRC's social strategy and reported on the main points of emphasis in the further social development of his country. In this connection the basic interest of the Chinese side in further strengthening cooperation with the GDR was expressed.

There was agreement on both sides regarding the basic orientation of the development of socialism and of the struggle for peace.

The talk was attended by Education Minister Margot Honecker and Ma Xusheng, PRC ambassador to the GDR.

Meets With Margot Honecker

AU111436 East Berlin NEUES DEUTSCHLAND in German 10 Feb 88 p 2

[Excerpt] East Berlin (ADN)—In Berlin on Tuesday morning [9 February] Margot Honecker, GDR minister of education, received He Dongchang, first deputy chairman of the PRC National Academic Degrees Commission. The two ministers conducted an extensive exchange of information and views on the development of the education systems in their countries. Both sides concurred that the construction of the socialist society creates new requirements and conditions for mastering the challenging tasks in the sphere of education. They briefed each other on the resolutions of the 11th SED Congress and of the 13th CPC Congress. The ministers spoke in favor of strengthening the joint efforts to solve the main present-day issue, the safeguarding of peace, and of further deepening mutually advantageous cooperation in the field of public education. [passage omitted]

Talks With Hager

LD111901 East Berlin ADN International Service in German 1424 GMT 11 Feb 88

[Text] Berlin 11 Feb (ADN)—The exchange of experience and cooperation between the GDR and China in the field of education is very important for the further successful development of socialism. This was stressed by Kurt Hager, member of the Politburo and secretary of the SED Central Committee, and He Dongchang, member of the CPC Central Committee and vice minister of the State Education Commission, during a talk in Berlin today.

During the talk, Kurt Hager explained the SED's experience in the development of the GDR's education system and in the political and ideological upbring of young people. He stressed that the unity of education and upbringing and the imparting of a comprehensive all-round education, high specialist and Marxist-Leninist knowledge and a socialist class standpoint are important features of the SED's education policy.

He Dongchang spoke about results and tasks of socialist education and upbringing in the PRC.

Greek Foreign Ministry Official Begins Visit

NC092021 Athens Domestic Service in Greek 1900 GMT 9 Feb 88

[Text] Foreign Ministry Secretary General Konstandinos Yeoryiou is starting a visit to the GDR today at the invitation of GDR Deputy Foreign Minister Kurt Nier. During the talks, the two sides will review bilateral relations and examine international issues of mutual interest. It also is expected that Yeoryiou will be received by GDR Foreign Minister Oskar Fischer.

Kleiber Meets Romanian Industry Minister

AU111146 East Berlin NEUES DEUTSCHLAND in German 9 Feb 88 p 5

[Text] East Berlin (ADN)—On Monday [8 February] Guenther Kleiber, member of the SED Central Committee Politburo, deputy chairman of the GDR Council of Ministers, and chairman of the GDR side of the GDR-Romanian Economic Committee, received Serban Teodorescu, minister of the machine building industry of the SR of Romania, for a friendly talk.

Guenther Kleiber briefed the Romanian visitor on the manifold initiatives of the working people in implementing the resolutions of the 11th SED Congress which are aimed at the further political and economic strengthening of the GDR and at safeguarding peace.

Both sides expressed satisfaction at the good development of economic and scientific-technological relations between the GDR and the SR of Romania, which received fresh impetus from the agreements between Erich Honecker and Nicolae Ceausescu reached during their meeting in October last year. In this connection, cooperation in the sphere of machine building assumes an important role. The manysided working relations between the Ministry of Machine Building Industry of the SR of Romania and the GDR Ministry of General Engineering, Agricultural Machinery, and Vehicle Building have a long tradition. The interlocutors stressed that it is a question of further strengthening specialization and cooperation in production on this basis, particularly in the sphere of agricultural equipment, the construction of road vehicles, and in the field of subcontractor parts.

The meeting was attended by Gheorghe Caranfil, ambassador of the SR of Romania to the GDR.

On Monday Gerhard Tautenhahn, minister of general engineering, agricultural machinery, and vehicle building also discussed new cooperation projects with Serban Teodoresco, particularly in the field of agricultural machines, tractors, commercial and passenger vehicles, and roller bearings.

Krolikowski, Algeria's Bitat Discuss Relations

LD111755 East Berlin ADN International Service in Ge man 1113 GMT 11 Feb 88

[Text] Berlin 11 Feb (ADN)—Relations between the GDR and the Democratic and Popular Republic of Algeria, imbued with the spirit of friendship and advantageous cooperation, have developed positively in all areas. Werner Krolikowski, first deputy chairman of the GDR Council of Ministers and member of the SED Central Committee Politburo, and Rabah Bitat, president of the National People's Assembly of Algeria and member of the FLN party Politburo, and the other members of the Algerian parliamentary delegation agreed on this during a friendly talk in Berlin today.

The partners in the talk discussed possibilities for further expanding the mutually useful and varied cooperation between the two states.

Werner Krolikowsli explained to the guests the implementation of the 11th SED Congress decisions in shaping the GDR's developed socialist society. Mastering the scientific-technical revolution is linked inseparably in the GDR's socialist planned economy with social security and all-round social progress.

The GDR politician and President Rabah Bitat welcomed the signing of the Treaty on the Elimination of Intermediate- and Shorter-Range Missiles and expressed the hope that through this and other radical measures possibilities will be opened up to use mankind's resources for development and not for destruction. In this connection Werner Krolikowski recalled the GDR's constructive contribution to fostering this treaty and expressed the GDR's firm resolve to do everything possible now for the treaty's realization and to make use of the opportunities now offered to halt the arms race and to turning it into further disarmament measures and new, substantive steps to safeguard peace and detente.

Rabah Bitat was received today by Guenter Mittag, member of the Politburo and secretary of the SED Central Committee, for a friendly talk, in which Horst Sindermann, president of the GDR People's Chamber took part.

The partners in the talk stressed the development taking place in the traditionally friendly relations between the two states as a result of Erich Honecker's official friendship visit to Algeria and the favorable possibilities arising from this for their further expansion. They paid tribute to the agreement between the USSR and the United States on the elimination of the nuclear intermediate range missiles and their importance to further progress in the disarmament process and the struggle to safeguard peace.

Krolikowski Receives Indonesian Official

AU111227 East Berlin NEUES DEUTSCHLAND in German 9 Feb 88 p 5

[Text] East Berlin (ADN)—On Monday [8 February] Herbert Krolikowski, state secretary and first deputy foreign minister of the GDR, received Nana Sutresa, deputy foreign minister of the Republic of Indonesia, for a friendly talk.

Both politicians welcomed the Soviet-U.S. Treaty on the Elimination of Intermediate- and Shorter-Range Missiles as a first historic step toward creating a nuclear-free world. Herbert Krolikowski affirmed that the GDR has made an active contribution to bringing about this agreement and is now doing everything for its implementation and to deepen this process.

The GDR has consistently advocated the political settlement of regional conflicts in the world. The realization of the principles of peaceful coexistence is an essential precondition for lasting peace, Krolikowski stated.

Nana Sutresna explained his country's stance on the situation in Southeast Asia. Referring to the recent ASEAN summit meeting, he spoke about the concept of this regional organization, aimed at the creation of a zone of peace, freedom, and neutrality.

Herbert Krolikowski and Nana Sutresna spoke in favor of setting up nuclear-free zones in central Europe, Southeast Asia, and other regions in the world.

The interlocutors stressed the positive development of bilateral relations and discussed possibilities of how to further expand them.

Sindermann Receives Japanese Ambassador

LD091934 East Berlin ADN International Service in German 1548 GMT 9 Feb 88

[Text] Berlin, 9 Feb (ADN)—Relations between the GDR and Japan are developing consistently. Horst Sindermann, deputy chairman of the GDR Council of State and member of the SED Central Committee Politburo, and Japanese Ambassador to the GDR Keizo Kimura came to this assessment. Keizo Kimura was paying his farewell visit.

Both sides stated that relations between the GDR and Japan are developing consistently. They expressed their interest in further developing political dialogue and bilateral cooperation to the advantage of both peoples and as a contribution to raising international stability.

The parties agreed that 1988 must become a year of disarmament. Other agreements must follow the first disarmament agreement of 11 December last year.

Horst Sindermann thanked Ambassador Kimura for his active work in deepening relations between both states.

Banyasz Reports on Council of Ministers Meeting

LD112220 Budapest MTI in English 1646 GMT 11 Feb 88

[Text] Budapest, February 11 (MTI)—The spokesman of the government gave the following report on the Thursday session of the Hungarian Council of Ministers:

The Council of Ministers reviewed and discussed the proposals related to the government's work methods and work style.

The government heard a report on the agreement reached between the banks and the government organs related to the credit restrictions. It called attention to the fact that both the banks and the state institutions have to show greater responsibility and circumspection when enforcing the passed resolutions.

The government acknowledged that an agreement was reached in the details related to the reorganization of the Tatabanya coal mines. It called attention to the strict observation of the deadlines.

The Council of Ministers approved the 1988 international programme calendar of its members and the leaders of the national authority organs. It also approved the report of the Hungarian delegation that attended the Moscow session of the CMEA Executive Committee.

'New Work Methods' Noted

LD112224 Budapest MTI in English 1935 GMT 11 Feb 88

[Text] Budapest, February 11 (MTI)—Rezso Banyasz answered questions following the session of government, at the spokesman's briefing.

In answer to a question on the experiences of the debate related to the work methods of the Council of Ministers he said: The social and political demand for the independent activity of the government within the system of political institutions has increased. A change is necessary also in that previously the agenda of the government sessions featured, for the most part, economic issues, and essential sociopolitical problems, home and foreign political or cultural policy affairs were discussed only rarely.

The activity of social organs that represent differing interests has strengthened in Hungarian society. A new relation is necessary between the government and the interest representation organs. However, the final mechanism and organizations of interest coordination have not yet been established.

With respect to the work method: Previously the government sessions dealt, almost exclusively, with debate over written materials, mainly drafts of legal measures. This left little time for mutual information, and the informal discussion of more general governmental problems.

The spokesman also discussed the publicity and openness of governmental work. The government has made efforts to report on its work in an open manner, mainly in the course of the increasingly more frequent public appearances of the prime minister and his deputies, and the ministers, and also at the press conferences of the spokesman. This activity will be more extensive, and more conscious in the future. The spokesman of the Foreign Ministry will also hold public briefings shortly, Reszo Banyasz announced.

Karoly Grosz, who chaired the session, had a determining role in the consultations on the new work methods of the government, stressed the spokesman, thus also answering a remark that the prime minister had not been seen in public over the past weeks. The spokesman added: Our hard working prime minister also deserves a short holiday from time to time.

Discussing other themes, the spokesman said that somewhat more retail dealers closed their shops, and somewhat more artisans are discontinuing their industries this year than at the beginning of the previous years. The reason for the uncertainty that can be experienced among the entrepreneurs is possibly that many are not fully aware of the new taxation rules which from now on pose greater requirements also for the private sector, similarly to all national economy, but this sector is still more favourably judged economically than the others. The government is of the opinion that this is a temporary phenomenon only, its experts are analyzing the situation. The government continues to rely on the important activity of the artisans and retail dealers.

Many people are afraid that prices will soar from April 1, was one of the remarks made by a correspondent at the spokesman's briefing. Rezso Banyasz said that an interministerial committee is continuously analyzing the situation and makes efforts to influence the development of prices with economic means.

In answer to a question on the prospects of tourism for this year, the spokesman said that the plan calculates with an 8-10 per cent growth of convertible currency revenues, and a 6-7 per cent growth in transferable ruble revenues. The effect of the new tax system on tourism cannot be exactly determined. No single major project, for instance, the building of pensions, had to be stopped because of the tax reform. A certain uncertainty is experienced only for the paying guest service. However, the number of annulled contracts is minimal.

The spokesman also said that to date, foreign currencies worth a total 65.3 million forints were paid by 6,090 persons to the special travel accounts, making use of the opportunity that the origin of these does not have to be justified until March 31. This is not a very large sum, but the amount of money transferred from abroad to the special currency accounts has increased considerably, particularly in the second half of last year. At the end of 1986 there were 88,896 such accounts, with a total foreign currency stock worth 1,279 million forints. At present there are 188,186 such accounts with foreign currency worth 2,515 million forints.

Rezso Banyasz reported on the country's debt stock at present: At the end of 1987 the convertible net debt stock was 10,900 million dollars, the gross debt was 17,700 million dollars. The difference between the two is accounted for by the available money stock, the reserves, the short-team outlays and the demands consisting of loans provided by the country.

Varkonyi Briefs Berecz on Foreign Ministry

LD111930 Budapest MTI in English 1823 GMT 11 Feb 88

[Text] Budapest, February 11 (MTI)—Janos Berecz, member of the Political Committee of the Hungarian Socialist Workers Party and secretary of the Central Committee, visited the Foreign Ministry Thursday.

Foreign Minister Peter Varkonyi and State Secretary Gyula Horn, members of the HSWP Central Committee, briefed Janos Berecz at an informal conference on the situation of the ministry, and its major tasks. The secretary of the Central Committee was also informed about the inner organizational and political activity of the Foreign Ministry.

Istvan Varga, first secretary of the Party Committee of the Foreign Ministry, informed Janos Berecz on the life of the organizations of the HSWP Foreign Ministry Committee, and timely issues of ideological-political work carried out there. Among others, he stressed that in the course of the individual discussions the communists of the party committee, including the party members working abroad, have given proof of their ideological-political commitment.

At the end of his visit Janos Berecz held a report on timely ideological and political issues at a conference of activists. Also present for the visit was Jozsef Gyorke, deputy head of the Foreign Affairs Department of the HSWP Central Committee.

Concern Over River, Stream Pollution

AU111445 Budapest MAGYAR HIRLAP in Hungarian 9 Feb 88 p 1

[Article by Attila Vodros: "Oil, Phenol"]

[Text] Innumerable people cherish our living waters [elovizeink]. Many of us follow the well-being of the creatures in our rivers and lakes with anxiety. We are glad when we are able to inform the public, as we did at the beginning of 1987, that sturgeons—fish that are highly sensitive to water quality—have reappeared in the Danube. Regrettably, such good news is rare. Bad news is more frequent. The first month of 1988 has just ended and our editorial offices have already received five letters from the water quality protection department of the Ministry of Environmental Protection and Water Management. All of them begin in the same way: "Report on unusual water pollution...."

The letters give a detailed description of the circumstances and consequences of the leak in the Friendship-II oil pipeline, about which we recently informed our readers, and report that the wave of phenol pollution in the Sajo River has abated, and the concentration of phenol in the Tisza River has become so diluted that it is barely detectable. In spite of this, the water in the Kiskore reservoir is still constantly inspected, but the Szolnok water works are operating without any disturbances. The water quality sub-committee of the Hungarian-Czechoslovak Committee on Border River Affairs will hold a discussion on unusual water pollution and its consequences at its next regular meeting.

Another report deals with the Berettyo River. On 17 January 1988 experts observing the river noticed that oil pollution was coming in from the Romanian side. The Tiszantul Water Affairs directorate requested a report from the competent Romanian organs on the basis of the regulation on preventing unusual cases of water pollution, a regulation which is included in the Hungarian-Romanian Border River Agreement. According to their reply, the Romanian experts did not detect any water pollution. The pollution stopped some time later.

An increasing deterioration in the quality of water in the Sebes-Koros River was detected in January 1988. The phenol, ammonium-ion, and organic material content of the water increased. The increase in the volume of the water flow which began on 31 January has somewhat improved the situation. Oil pollution was also detected in the main stream between Nyirbator and Vasvar leading to the old Batorliget marsh. The oil that reached the water here came from the Aurora subsidiary company of Minosegi Cipogyar [shoe factory]. The water flow was stopped by submerged walls and the oil captured in this way was bonded by means of pearlite. On 2 February, oil was also detected on the surface of the Rajka section of the Danube. The phenol pollution of the Bodva stream, however, was caused by the dekorit [dekorit]-producing plant of the Bela Bartok Agricultural Cooperative at Borsodszirak, as we reported at the time.

It seems that our anxiety over our water is not unfounded in 1988, either.

Briefs

Palestinian Official Holds Talks

Sandor Jakab, chairman of the Hungarian Solidarity Committee, and Salih Ra'fat, member of the Politburo of the Democratic Front for the Liberation of Palestine, held talks on 9 February in which the Palestinian thoroughly briefed his host on the situation in the occupied territories. Salih Ra'fat expressed thanks for the political, moral, and material support provided for his people. On behalf of the Hungarian Solidarity Committee, Sandor Jakab confirmed Hungary's commitment and solidarity with the just struggle of the Palestinian people. [Excerpts] [*Budapest NEPSZABADSAG in Hungarian 10 Feb 88 p 5 AU*]

New Gas, Oil Sites

Tests carried out in Fuzesgyarmat have revealed the existence of large stocks of natural gas with a high calorific value and considerable oil layers. With an investment of 3 billion forints, 70 oil excavation wells and 10 natural gas wells will be established by the end of 1989. [Summary] [*Budapest NEPSZABADSAG in Hungarian 10 Feb 88 p 9 AU*]

Daily Views Economic Talks With U.S.

AU111813 Warsaw TRYBUNA LUDU in Polish 9 Feb 88 p 6

[Zygmunt Broniarek commentary: "Polish-U.S. Economic Cooperation—Will the Blockage Be Freed?"]

[Text] On Monday talks began in Washington between Janusz Kaczurba, undersecretary of state in the Ministry of Foreign Economic Cooperation, and Louis F. Laun, U.S. assistant secretary for international economic policy. They are chairmen of the first working group on trade and economic cooperation during the 10th joint (intergovernmental) session by the Polish-American trade mission. This session commences on Wednesday 10 February. The delegations are headed by Wladyslaw Gwiazda, minister of foreign economic cooperation, and C. William Verity, U.S. secretary of commerce.

The session's subject-matter is very rich and encompasses four main topics: the current state of Polish-U.S. trade and economic cooperation and the prospects of expanding it; the development of trade and economic cooperation; cooperation in industry and in joint ventures; and cooperation in agriculture.

A feature of this subject matter is that it is concrete and detailed. Let us take as an example the following two subtopics—the promotion of trade, and cooperation in modernizing Polish industry. The first subtopic contains the following positions: the promotion of trade and a marketing program; concessions for Poland to undertake economic activity in the United States and the United States in Poland, including a better flow of information and economic data; and management training designed to raise trade and industrial cooperation to a higher level.

The second subtopic covers the financing of individual undertakings by companies participating in this program; the construction of production potential in Poland by the United States; and agrobusiness [agrobiznes].

Orzechowski Makes Official Moscow Visit

For Soviet Union coverage of the visit to Moscow and Leningrad by Foreign Minister Marian Orzechowski, including his meetings with General Secretary Mikhail Gorbachev and Foreign Minister Eduard Shevardnadze, see the East Europe section of the 10 February Soviet Union DAILY REPORT and subsequent issues.

PZPR-SPD Working Group Meets, Seeks Proposals

LD112121 Warsaw PAP in English 1920 GMT 11 Feb 88

[Text] Warsaw, Feb 11—A PUWP-SPD working group for means of mutual confidence building held a meeting here on February 10-11. The group was formed in November, 1984, by virtue of an agreement between leaders of both parties' parliamentary groups. The present mandate for activities of the working group was formulated in a joint communique on the visit of SPD Leader Hans-Jochen Vogel, who came to Warsaw last September on the invitation of the PUWP CC First Secretary Wojciech Jaruzelski.

The group was entrusted with preparing concrete proposals on increasing confidence in the military sphere and beyond it and the criteria to be met by armaments and armed forces if they are to be mutually regarded as defensive.

The joint statement of the PUWP-SPD working group on the criteria and means for the creation of mutual confidence and security in Europe says that the aim of the group's work was to prepare proposals leading to a reduction of armaments and increasing mutual confidence as elements of a durable peace in Europe.

International security, stresses the statement, is indivisible. It should be ensured by both political means and sizeable reductions in the military arsenals on a mutual basis down to a level guaranteeing sufficient defensive capability but ruling out offensive operations.

Europe, and particularly Central Europe, is a sphere of world-highest concentration of armed forces aimed at one another, equipped with the most advanced types of nuclear and conventional weapons. We regard it especially urgent to take political and military steps for the cause of cutting armed forces and armaments, and of further reinforcement of confidence in Europe, the document says. The liquidation of, first of all, potentials permitting a surprise attack is necessary here. Imbalance and asymmetry should be liquidated by disarmament, not armaments.

The PUWP and the SPD, reads the statement, are trying to reach such a military situation in Europe in which military potentials and structures can serve exclusively the defence of national and allied territory. Both parties believe that the progress of radical reductions in the existing potentials should lead to elimination of their offensive components, among them, to the removal, on both sides, of the existing disproportions and asymmetries so that neither of the alliances can make a suprise attack. At the same time the strategic doctrines and concepts should be changed in a manner allowing both sides to regard them as defensive.

The document includes detailed proposals of measures concerning the reduction of armed forces and armaments, both nuclear and conventional, means of confidence building, and military doctrines.

The proposals comprised by the document, orginally meant for Central Europe, need to be developed and expanded so as to cover the whole Europe, from north to south and from the Atlantic to the Urals.

While reporting on the results of works at a press conference here today Chairman of the Poland-FRG Parliamentary Group in the Sejm Deputy Stanislaw

Bejger said that the joint proposals and discussions prove that two parties from states belonging to different alliances can lead a constructive dialogue which has bilateral and multilateral dimensions.

Vice-Chairman of the Social-Democrat Parliamentary Floor Group in the Bundestag Horst Ehmke emphasized that both parties seek to build a joint confidence system in Europe. This can be served by the Jaruzelski Plan, which—like the previous Polish initiatives—is a substantial contribution in the discussions on issues of disarmament and security should be an introduction to a mulit-faceted dialogue, to the coordination of standpoints of many states.

Jaruzelski Receives SPD Group

LD112122 Warsaw PAP in English
1951 GMT 11 Feb 88

[Text] Warsaw, Feb 11—Today, PUWP CC First Secretary Wojciech Jaruzelski received an SPD delegation led by Deputy Leader of the Bundestag SPD Floor Group Professor Horst Ehmke.

The delegation visited Poland in connection with the end of another stage of work by the joint PUWP-SPD working group for mutual confidence building measures co-chaired by Professor Ehmke.

Political Bureau member, PUWP CC Secretary and Chairman of the Sejm Foreign Affairs Committee Jozef Czyrek took part in the talks.

AFP Coverage of Walesa Remarks Criticized

LD112123 Warsaw PAP in English
2025 GMT 11 Feb 88

["AFP Has No Time for Reflections"—PAP headline]

[Text] Warsaw, Feb. 11—The implementation of the 2nd stage of economic reform in Poland is not a pleasant predicament. But the difficult decisions are received by a majority of society with an understanding that they are really indispensable and that there is no time to lose. The reactions of society go to prove that there is no other way.

Obviously, this does not mean that there are no people who would grab any opportunity and who are guided by the slogan that the worse things are in Poland, the better for them. Meanwhile, the peaceful social reaction to the measures being put into effect since February 1, makes their steps falter. Some Western journalists confirm this honestly, like, for example, the correspondent of the Italian IL GIORNALE daily.

The statements of Lech Walesa, painstakingly noted down by some Western agencies, especially AFP, are evidence of a tangle of contradictory thoughts. The reports from recent days are a record of a severe let-down and cognitive chaos.

On January 31, for instance, people thought to be the leaders of "Solidarnosc" forwarded slogans calling for a cancellation of price hikes. Afterwards, the slogans called for strikes demanding higher compensation. On February 2, faced with a complete fiasco of these appeals, AFP carried reports of Walesa's alleged "satisfaction" at the fact that there were no emotional reactions among workers. But a few hours later the same French press agency carried Walesa's words to the effect that he was ready to lead any movement aimed against price hikes.

It seems that AFP corresondents in Poland are so busy noting down statements of this kind that they do not have any time whatsoever to ponder what Walesa really supports.

Human Rights Appeal Countered by PAP

LD112159 Warsaw PAP in English
2036 GMT 11 Feb 88

[Text] Warsaw, Feb. 11—Thirty signatories of an appeal to the authorities of People's Poland advanced to the Sejm speaker, among them historians, lawyers, sociologists, writers and economists, speak in favour of social agreement and postulate "factual respect for human rights." By this, the signatories mainly mean the right "of free association," "demands for amendments to the law in a manner not violating the law," consent for establishing magazines, clubs and the like, that is, for opportunities for "unconstrained discussion about the pros and cons of the social-economic system of the state."

Reading the appeal, disseminated by Stanislaw Remuszko, one cannot but reflect that its authors seem not to read the Polish press and do not take notice of other, very important changes which have occurred and continue to occur in Poland's socio-political life.

If they themselves do not want to discern the deep transformations in the country, one could advise them to read the statements by U.S. Deputy Secretary of State John C. Whitehead made during his press conference in Warsaw or the recently announced report of the Department of State to the Congress on the execution of human rights. The report contains, among other things, statements that practically all internal problems are uncensored in Poland and are the topic of public debates.

In this situation, the postulates of the respective signatories of the appeal of thirty seem to be somewhat belated, like trying to pry open doors which are already open.

Walesa, Wiesel Pay Homage at Former Death Camp

AU111439 Krakow TYGODNIK POWSZECHNY in Polish 31 Jan 88 p 1

["Speeches in Brzezinka"]

[Text] It is not our fault we publish a week late the texts of the speeches made in Brzezinka [Birkenau] on 17 January by Lech Walesa and Eli Wiesel, participants at

the Oswiecim [Auschwitz] meeting of the Nobel Prize winners, who were invited by President Mitterrand to attend the Paris conference.

Lech Walesa: Saying prayers together with you and paying homage to all murdered people, as a son of the land that has been stigmatized by Oswiecim, I wish to bow especially deeply before the drama suffered here by the Jewish people.

The Polish and Jewish people lived here together for better and worse throughout the centuries. The will of the invader terminated this agelong history by the Holocaust, which human conscience must never forget. The murderous intention to exterminate all Jewish people—from the aged to the tiniest babies—found its fulfillment in the crematoria of Oswiecim, Treblinka, and other death camps.

This drama of the Jewish people, who are the Christians' older brothers in faith, will always shock and serve as a warning.

We treasure the memory of those who were murdered in this and other camps—the Jews, Poles, Russians, Frenchmen, Gypsies, Greeks, Yugoslavs, Belgians, Germans, and so many other nationalities.

We trust that those who perished now find themselves in a different reality and that they are perhaps able to better evaluate the world in which this crime was possible.

We who are still alive have memories and obligations to obey. The death of the murdered speaks to us in a moving and simple truth that as soon as hatred is raised to the level of ideology, to which man succumbs, all the natural and divine laws become violated. Hatred's name is anti-Semitism. May no name of hatred ever come to us or to the future generations.

Eli Wiesel: Lech Walesa, my friend, I thank you!

With us here today there are women and men who want to work for the future generations.

Lech Walesa, you are a Pole and I am a Jew. You are very close to me. We both believe that it is necessary to keep remembering in order to instill a sense of dignity and hope into our children.

Here at this place it is necessary to have hope. Just take a look around. I arrived [during the war] at this place at midnight and I thought that evil would never end. People from various ends of the earth, who spoke various languages, continued to arrive here and to come closer and closer to the fire of death. I kept asking myself whether this was the end of the Jewish people, the end of mankind, and the end of the world. It is true that some kind of world did end here, and that is why we must rebuild the world, one in which it is true that people are free and that they are people because they are free. No matter what our religion, we are all children of the same God.

Lech Walesa, our friend, we have met here on the 43d anniversary of the great evacuation of this camp. Our meeting here is also a symbolic opening of the conference to which President Mitterrand has invited the Nobel Prize winners. This day is a day of sadness and reflection. We can see what mankind is capable of if it permits murder and oppression to be committed. That is why our reflections are sad, but there is also hope, which we must create ourselves. Here at this place, in which all hope seemed to have vanished forever, we must declare that people are worthy of hope.

Lech Walesa, we assure you that we will never forget you. You represent us here and we will represent you all over the world. We will speak, beg, and jog memories. There has been enough suffering!

Sejm Session Discusses Economic Action Plans

Analyses Reform Progress Made

LD111553 Warsaw PAP in English
1509 GMT 11 Feb 88

[Text] Warsaw, Feb 11—The Sejm states that the draft implementation program of the second stage of economic reform tabled by the government meets half way the needs of healing the economy, which is the material basis of the processes of socialist renewal and social development. The program is characterized by a striving to achieve a fundamental restructuring of the economic system of the state.

The Sejm finds it necessary to fulfil the basic conditions taking into account an analysis of both the achievements and failures of the first stage of economic reform, namely:

—working our reliable and clear legal-economic solutions and rational principles of managing and governing the state,

—creating a comprehensive program of rationalization and modernizing the structure of the economy,

—starting activities aimed at increasing society's involvement in the implementation of reforms, especially by increasing its activity and effectiveness in professional work.

Fulfilling these conditions should lead to a balancing of the economy and stabilization of economic mechanisms. As a result, a state of the economy could be arrived at which would ensure a permanent growth of the living standard of the population and create real foundations for the repayment of foreign debt.

The Sejm deems as the key factors of stirring an increase in supply the creation of conditions for the development of enterprise and innovation in all sectors of the economy through an increase in the independence of enterprises, through adequate legal-economic regulations,

through limiting the scope of the obligations and powers of founding bodies znd through the facilitation of the creation of new economic units.

The Sejm found it necessary to speed up works on the bill introducing far-reaching facilitations in starting economic activities and on the draft law on limited liability companies.

The implementation of tasks laid down in the field of technological organizational progress, improved investment processes and management of assets is expected to ensure higher production of advanced goods characterized by appropriate quality and reliability, meeting the requirements of economic efficiency. The Sejm shares the opinion that the investment programme should be reviewed.

Radical and comprehensive transformations are indispensable in the building trade as a whole. The Sejm finds it necessary to launch a rational system in the economic utilization of the natural environment.

The Sejm regards the plans on progress in agriculture and food economy as correct.

Foreign trade belongs to the fields armed by the economic reform with ample economic, financial, and organizational solutions. Implementation of these solutions will create more favourable conditions for exports growth and for expansion of cooperation within the CMEA.

The Sejm accepts and emphasizes the importance of the general directions of the reform, epitomized in the postulates of strengthening and convertiblility of the currency, adding more reality to the economic parameters of prices, exchange rates, and interest rates, financial balancing of the economy on the inside and on the outside.

The Sejm notes that tasks listed in the programme and aimed at bridging the inflation gap do not exhaust all the possibilities. The Sejm believes that one of the most urgent issues is to design methods for the control of price and wage movements in order to escape the hazards of uncontrolled inflation which might result from the introduced price regulations.

The domestic convertibility of the zloty into hard currencies is an important task. External convertibility requires not only that prices be brought closer to global levels but also gathering hard currency reserves as a result of long-term trade surpluses. Hence, the tasks which envisage appropriate regulation of the zloty's exchange rate against hard currencies and the elaboration of guildelines of exchange rates policy aimed at the convertibility of the zloty are all worthy of support.

Firm action aimed at expanding the possibilities of acquiring access to rational hard currency imports is indispensable.

The Sejm speaks in favour of fundamental changes in the tax policy aimed at developing enterprise and stimulating professional activity and efficiency.

The Sejm is of the opinion that the process of reforming the state apparatus cannot be constrained to central bodies. It should also cover bodies of the local administration.

The Sejm stresses the significance of a consistent striving to consolidate the role of crew self-managements and increasing the effectiveness of their operations in the sphere of production.

The high rank of crew self-management should be accompanied by the self-management bodies' greater responsibility for the state of the enterprises' economy.

With an eye to the need for further strengthening the Sejm's supervision over self-managements, the Sejm thinks it expedient to popularize the practice of tackling self-management matters by all Sejm committees concerned with economic matters and to expand ties between deputies, councillors and the crew self-managements of enterprises. [sentence as received] It is necessary to adopt measures to more effectively enact the legal protection of members of crew self-managements and to increase the efficiency of solving disputes in this respect.

The Sejm stresses the importance of prompt preparation of laws required by the second stage of the economic reform. It is particularly urgent to review and cancel the regulations which hamper the reform's functioning in enterprises and in the economic life of the country. The Sejm turns to the government to design a system of studies on the efficiency of the economic law and, basing on the study results, to improve regulations in this respect.

The Polish Sejm accepts the modified implementational programme of the economic reform's second stage and notes that this programme offers a possibility to comprehensively adjust the legal-economic and organizational regulations to the goals of the social-economic development of Poland. Full commitment of all the working people is the basic condition of taking advantage of these opportunities.

The Sejm voices an opinion that the second stage of the economic reform will lead to considerable perfection of the principles and methods of good management. This provides a possibility to increase economic results. The condition of their increase is, however, to prepare a programme for rationalisation and modernization of the structure of national economy. This is an urgent task which must be tackled simultaneously with the practical implementation of the solutions of the second stage of the economic reform.

Second Day of Session

LD112250 Warsaw PAP in English
1804 GMT 11 Feb 88

[Text] Warsaw, Feb. 11—During its meeting, resumed today, with Wojciech Jaruzelski and Zbigniew Messner taking part, the Sejm continued discussions on the premier's report delivered yesterday on the government's current works and plans for 1988 and on the reports of Sejm committees on: the government implementation program of the 2nd stage of economic reform and on the state of crew self-management in state enterprises.

Vice Premier Zdzislaw Sadowski answered questions put by deputies. The common goal of the reform for all sectors of the economy is to assure stable and lasting conditions for development. This especially pertains to well-performing enterprises, regardless of the sector they are situated in, Sadowski said.

The implementation program does not, however, aim to privatize or re-privatize the economy. That is why one must also make provisions for the possibility of changes in the forms of ownership when enterprises exceed a certain scale. The solutions should aim at offering a possibility of changes from the forms of private ownership to state-private ownership. They have not yet been prepared. This is not an issue of the utmost urgency. For the time being we are at the stage of creating conditions for the development of private enterprises.

The vice premier thanked the deputies for their support for the implementation program lent during the debates and for the declarations of readiness to cooperate in its practical implementation.

While closing discussion on the issue, Deputy Speaker Marek Wieczorek stated: The course of the debates empowers one to state that the guidelines presented by the premier have won the approval and support of the deputies. One should express a conviction that their implementation will become an important factor of an effective implementation of the economic reform.

Acting on a motion put by the deputy speaker, the Sejm approved the report delivered by the chairman of the Council of Ministers.

The Sejm voted—with one abstention—the resolution on the implementation programme of the second stage of the economic reform and the activities of the worker self-managements in state-owned enterprises.

In tune with the motion from the convent of seniors, the Sejm appointed an extraordinary committee to supervise the introduction of the implementational programme of the second stage of the economic reform and chose the committee members.

Under the next item in the agenda, which concerned the change in the composition of the Council of Ministers, the Sejm recalled Janusz Pawlowski from his post as minister of labour and social policy with 21 votes against and 61 abstentions. The post went to Ireneusz Sekula, with one vote against and 48 abstentions.

Then there was the first reading of the Council of State's draft law on amendments in the People's Councils electoral law. Vice-President of the Council of State Kazimierz Barcikowski took the floor.

After the end of the discussion in which deputies generally supported the assumptions of the document, expressing their doubts as to some detailed solutions, the bill on the change in the electoral law on People's Councils was submitted to the Extraordinary Committee. The committee was set up by the Sejm, following the motion of the Convent of Seniors. The Sejm also elected the composition of the body.

The draft was also subjected to the Socio-economic Council at the Sejm.

Answering a deputy interpellation concerning the settling of affairs connected with flats owned by citizens emigrating from Poland, Vice-Minister of Internal Affairs Zbigniew Pudysz explained that the point is, above all, to prevent illegal using of flats by people leaving Poland for good, not to allow to hand these flats over to people who are not entitled to get them without a knowledge and consent of a flat legal owner and also to protect these flats against unauthorised occupation.

As the last item on the daily agenda of the two-day meeting, the Sejm passed a resolution on the closing of its 5th session.

Barcikowski Makes Speech

LD111757 Warsaw PAP in English
1628 GMT 11 Feb 88

["Barcikowski's Statement in Sejm (Abridged)"—PAP headline]

[Text] Warsaw, Feb. 11—The big interest shown by society in changes in the electoral law has been confirmed in the course of public discussions on the assumptions of amendments to the Electoral Law. 651 opinions from citizens, activists of people's councils and numerous organizations and institutions have been filed with the council of state. Moreover, 18 editorial offices of the press, radio and TV presented synthetic information on statements made by their readers and listeners.

The material gathered during the discussion goes to prove that the limited time period did not have a negative impact on the substantive value of the opinions.

On the other hand, we have drawn conclusions from the criticism because we advanced the guidelines of amendments to the law on the system of people's councils and local self-government for consultations within the procedure and time envisaged in the law on social consultations and the referendum.

We have tried to make use of the forwarded proposals to the greatest extent in our work on the draft law. I am not concealing the fact that we frequently found ourselves in complicated situations, calling for a choice to be made from among contradictory opinions. For example, the opinions of organizations which make up the Patriotic Movement for National Rebirth PRON differed on many important matters from the stance expressed by the national council of the movement. In such cases we tried to propose compromise solutions, conforming to the general direction and spirit of changes in the electoral law.

In the opinion sent in by general secretary of the conference of the Episcopate of Poland, Archbishop Bronislaw Dabrowski, we find understanding for the reform of the electoral law being undertaken now and suggestions which, as I think, will gain in importance as progress is made in national agreement and the common recognition of the Polish reason of state as the natural foundation of the country's political activities.

The proposal to lift preferential treatment of candidates from the first positions on electoral lists and the introduction of an alphabetical order of those lists met with full understanding. This change fulfils the expectations for elections to have a personal character, that is, for the electorate to speak out as concerns respective candidates and really directly have influence on who gets the mandate.

The draft comprises a regulation envisaging the creation of districts electing 1-6 councillors.

Many contradicting opinions have accompanied the so-called voivodship (provincial) list. Having weighed all the pros and cons we motion for keeping it but reducing the number of mandates to 10 per cent of the total number, and with adding a regulation envisaging the recommendation of candidates for this list also by the out-going council. The requirement that a candidate for the voivodship list must have more than 50 per cent of the votes is a barrier to unpopular candidates.

In the draft we have tried to stretch the circle of organizations eligible to choose and register candidates and represented on the electoral colleges. In response to the postulates that electoral meetings of candidates could have their candidates, the draft specifies such powers given to meetings summoned by self-governments of villages, town quarters, or PRON links.

The electoral colleges may place only such candidates on the electoral lists to whom no justified objections are addressed during the consultation.

There is not doubt that changes proposed by the draft law are a big step forward in developing socialist democracy. I am also convinced that the discussed amendments will favour the expansion of national agreement through documenting our willingness to make democratic changes in the process of reforming in the state. It forms a flexible system of legal regulations which permit the finding and election to the council of everyone who wants to work actively for the weal of his community and for the public weal.

Communique on 1987 Plan Fulfillment

AU041715 Warsaw RZECZPOSPOLITA in Polish 29 Jan 88 pp 4, 5, 6

["Communique Issued by the Central Office of Statistics on the Country's Socioeconomic Situation in 1987"]

[Text] The national income increased in 1987, but because of lower farm production the increase rate of the produced national income was slower than in the past few years and lower than laid down by the Central Annual Plan.

Industrial production increased more quickly than laid down by the Central Annual Plan. The increase in the production of the electroengineering and fuel-energy industries was higher than planned, but increases in other production sectors were lower than planned. The overall production of construction trades increased. Cereal yields were high, but yields of other basic crops were lower. The number of farm animals and the level of animal production decreased.

Exports and imports continued to increase at a higher rate than material production. The Central Annual Plan indexes relating to trade with the two payments areas were overfulfilled, especially in cases of exports and imports relating to the second payments area. Payments with the first payments area were balanced, and the positive balance of payments with the second payments area was further improved.

Capital investment in the public-sector economy exceeded the plan. The rate of increase in outlays for purchases of machines and equipment was much higher than that in outlays for construction and assembly work, but no progress was made in ensuring the timely completion of tasks. The number of new apartments was slightly higher than a year ago, but was lower than planned.

The planned increase in personal incomes and expenditures went up to the same extent. Personal incomes outstripped personal expenditures. Prices and living costs were higher. Consumption of material goods paid from personal incomes rose.

The preliminary indexes illustrating the development of the national economy in 1987 were as follows:

Item	Index for 1986—100
Population	100.5
National income produced (constant prices)	about 102
Average gross value of fixed assets (constant prices)	102.4
Public-sector employment (without apprentices)	99.9
Average monthly wage in public sector	about 121
Average monthly old-age and other pensions (without farmers' pensions)	about 113
Retail prices for consumer goods and services	about 126
Living costs of public-sector employees (without changes in prices for alcohol and tobacco)	about 122
Per capita consumption of goods paid for from personal incomes (constant prices)	about 102
Personal incomes	127.4
Personal expenditure	130.3
Personal savings on 31 December 1987	116.5
Retail sales of goods by public sector units	
—in current prices	129.5
—in constant prices	about 103-104
Export of goods (constant prices)	104.6
Import of goods (constant prices)	104.9
Investment in public sector (constant prices)	105.6
Industrial output marketed in public sector (constant prices)	103.3
Output marketed for every employee in public-sector industry (constant prices)	103.8
Basic production by public-sector construction and assembly enterprises (constant prices)	98.3
Basic production for every employees in public-sector construction and assembly enterprises (constant prices)	100.6
Total farm production (constant prices)	about 97
—crop production	about 98
—animal husbandry production	about 96
Farm produce procurement (constant prices)	96.5
Goods traffic by public-sector transportation	98.3
Passenger traffic by public-sector transportation	100.3
Housing handed over for occupancy	103.1
—by public sector	101.5
—by private sector	106.5
State budget expenditures on public and cultural services	127.6

The implementation of some tasks of the 1986-90 National Socioeconomic Plan was as follows in 1986-87:

—The mean annual rate of increase in the national income was about 3.4 percent as against the 3-3.5-percent increase planned for 1986-90.

—The average annual rate of increase in the industrial output marketed by public sector was 3.7 percent as against the 3.3-percent increase planned for 1986-90.

—The mean annual rate of increase in total farm production was 0.9 percent as against the 2.2-2.5-percent increase planned for 1986-90.

—The mean annual rate of increase in exports was 4.7 percent and in imports 4.9 percent as against the 4.9-percent and 2.4-percent respective increases planned for 1986-90.

—The mean annual number of new apartments was about 189,000 compared with the planned increase of 210,000-230,000 apartments in 1986-90.

National Income, Conditions for Economic Growth, Finance [subhead]

Initial estimates show that, compared with 1986, the 1987 national income increased about 2 percent in constant prices. The increase rate of the national income was less than in 1986, during which a 4.9-percent increase was achieved, and smaller than the planned 3 percent. This drop was due to a drop in the net production in farming. Net nonfarming production increased over 3 percent.

Compared with 1986, the per capita national income rose about 1 percent.

At the end of 1987, Poland's population totaled 37,800,000 people, 60.9 percent of whom lived in urban areas. Compared with 1986, the population increased by 192,000 persons.

The number of births per thousand decreased from 17 in 1986 to 16.1 in 1987 and the number of deaths stayed at the same level—10.1 persons. The birth rate went down from 6.9 to 6 infants per thousand. The rate of increase in the number of people below and above working age continued to be faster than that of people of working age. There were 727 persons of non-working age for every 1,000 persons of working age, compared with 717 persons in 1986.

Average employment in the national economy stood at 17,308,000 in 1987, over 72,000 or 0.4 percent more than in 1986. Employment in the public sector stood at 12,339,000 and that outside the public sector at 4,969,000 persons (3,885,000 in farming and 1,084,000 outside farming).

Average employment in the public sector totaled 11,762,000 and was by 0.1 percent smaller than in 1986 and by 0.6 percent smaller than planned. In manufacturing industry employment decreased by about 49,000 persons or by 0.5 percent compared with the 0.4-percent decrease stipulated by the Central Annual Plan.

In the area outside manufacturing industry, employment increased by about 42,000 persons or by 1.6 percent. This increase was stipulated by the Central Annual Plan. In the area of material production, employment decreased mainly in industry by 24,000 persons. In extracting industry it increased by 4,000 persons. In processing industry it decreased by 28,000 persons, in construction trades it decreased by 12,000 persons, and in transportation it decreased by 11,000 persons. Outside manufacturing industry, employment increased in all sectors except state administration and justice. Employment in the Department of Health and Social Care increased by about 17,000 persons.

The average number of workers in the national economy in 1987 was as follows:

Item	Thousands	1986 equals 100
Total	11,762	99.9
Material production:	9,020	99.5
—Industry	4,253	99.4
—Construction	1,099	99
—Transportation	853	98.8
—Trade	1,271	100.4
Nonmaterial production:	2,742	101.6
—Education and instruction	910	100.4
—Health service, social welfare	774	102.2
—State administration and justice	230	97.8
—State administration alone	171	96.2

In 1987 there were 304 workers in nonmaterial production per every 1,000 workers in material production, compared with 226 workers in 1987 [year as published] and 290 workers in 1985.

Nominal working time was by 1 working day longer.

Compared with 1986, the use of working time in public-sector industry was about the same. People did slightly more work during normal working time and still a bit more during overtime. Absenteeism due to illness, maternity leaves, paid lay-offs, and absences without leave decreased. Compared with 1986, the number of actual hours worked amounted to 33 a week in regular work-time and to 35.9 hours with overtime, while the nominal working time, excluding vacations, amounted to 37.2 hours.

Shift intensity in industry deteriorated. Shift intensity of workers in direct production amounted to 1.26, compared with 1.28 in 1986 and 1.42 in 1980. The biggest reductions in this intensity occurred in fodder, public service, iron, and precision industries. Slight increases occurred in leather and energy industries. Low shift intensity went hand in hand with the low index of use of work stations during the main shift. In 1987 this intensity amounted to 77.3 percent, compared with 78.1 percent in 1986 and 83.7 percent in 1980. Reductions in the index of use of work stations occurred mainly in fodder, public service, precision, and paper industries. Improvements in this index occurred in leather, nonferrous metals, and energy industries.

Productivity in the public sector in terms of the value of net production calculated per every worker employed in material production increased about 2 percent compared with 1986.

Difficulties in meeting the demand for materials continued in 1987.

The hard coal supply to the home market was 3.1 percent greater than in 1986, while the Central Annual Plan stipulated an increase of 0.5 percent. The coal supply to meet the needs of industry increased 2.2 percent and that to meet public and household needs increased 8.3 percent, but stocks of coal held by consumers decreased by 1.5 percent.

Coal stocks at coal mines amounted to 170,000 tonnes at the end of last December and were smaller by about 70 percent compared with the stocks at the end of December 1986, but coal stocks at the power stations increased 6.5 percent at the same time.

The coke supply to the home market decreased 0.5 percent. The coke supply to meet the needs of industry was at the same level, but the coke supply to meet public and household needs decreased.

Compared with 1986, the supply of liquid fuels increased 1.9 percent, but the supply of heating oil decreased 2.6 percent.

In 1987 the value of the supply of the 36 basic raw and other materials increased 0.7 percent compared with 1986. The supply of chromium ore, cement, iron ore, polyvinyl chloride, steel tubes, paper, and other articles increased, but the supply of tin, car batteries, car and truck tires, particle boards, polystyrene, coniferous lumber, polypropylene, aluminum, lead, and other articles decreased.

Compared with 1986 the domestic consumption of electrical energy increased 4.3 percent. This included a 3-percent increase in industrial consumption and a 7.2-percent in public and household consumption. Some consumers experienced electrical power cuts at the beginning of the year.

Initial estimates show that the revenue of the 1987 state budget totaled Z5.756 trillion and general expenditure totaled Z5.949 trillion. Compared with 1986, revenue increased 17.5 percent and expenditure 20.1 percent. Following the changes in the 1987 budget law, budget revenue increased about Z283 billion or 5.2 percent, and budget expenditure increased by Z178 billion or 3.1 percent.

The budget deficit amounted to Z193 billion, compared with the planned deficit of Z298 billion, and accounted for 3.3 percent of budget revenue. Surpluses in local budgets helped to reduce the overall deficit. In 1986 the budget deficit amounted to Z54 billion or to 1.1 percent of revenue.

In 1987 the state budget received about Z1.825 trillion from the turnover taxation imposed on public-sector enterprises, which was 21 percent more than in 1986, and about Z1.742 trillion from income taxation, which was 21.8 percent more than in 1986. The taxation and payments from the economy outside the public sector totaled about Z254 billion, that is, were 47.6 percent higher than in 1986. Taxation and other payments from the population produced about Z118 billion, that is, 43.8 percent more than in 1986.

Expenditure on public services totaled about Z1.383 trillion and increased 27.6 percent and that on investments projects and major repairs totaled about Z930 billion, that is, were 22.4 percent higher than in 1986. Expenditure on itemized subsidies to compensate for the production costs of goods and services amounted to about Z1.279 trillion and, compared with 1986, increased by 22.5 percent. This included a 42.5-percent increase in food subsidies, a 37.3-percent increase in subsidies for nonfood consumer goods, a 14.9-percent increase in public transportation subsidies, and a 47.5-percent increase in subsidies for equipment supplied to farming. The expenditure to subsidize the prices of producer materials and services decreased by 16.3 percent. This expenditure does not include farming. Itemized subsidies and other subsidies for enterprises amounted to about Z540 billion, that is, to 25.9 percent more than in 1986. This included Z296 billion (23.4 percent more) in subsidies for the communal and housing economy, especially for urban transportation, and about Z107 billion (28.5 percent more) in subsidies for farm production and social activities in rural areas.

In the first 11 months of 1987 the capital stock formation in public-sector enterprises (excluding the farming ones) was worth Z3.8614 trillion (the positive capital stock formation was worth Z5.032 and the negative Z1.1706 trillion), which was 45.5 percent more than in the same period in 1986, while sales increased 30.3 percent. The ratio between the negative and positive capital stock formation amounted to 23.3 percent compared with 27.4 percent in the same period last year. [w tym samym okresie ubieglego roku]

Enterprises' liabilities on account of the division of the capital stock formation amounted to Z2.0641 trillion, which was 22.1 percent more than in the first 11 months of 1986.

Because the increase in liabilities and subsidies was slower than the increase in sales, the state's share in creating fiscal results of enterprises decreased. Taking into consideration the liabilities on account of the capital stock formation and budget subsidies, the fiscal results of public-sector enterprises in the 11 first months of 1987 amounted to Z3.6527 trillion and increased 44.3 percent, compared with the first 11 months of 1986.

After deduction of income taxation and overtime taxation, the profits remaining in enterprises amounted to Z1.8146 trillion and were by 61 percent larger than in the first 11 months of 1986. This increase helped to improve the conditions of enterprises' self-financing, but the state's fiscal balance deteriorated as a result.

There were 477 enterprises with negative fiscal results, and they accounted for 2.6 percent of all enterprises. In the first 11 months of 1986 there were 513 such enterprises, and they accounted for 2.9 percent of all enterprises. In 1987 farm services led with 141 deficit enterprises, compared with 205 in 1986. In 1987 construction trades accounted for 42 deficit enterprises compared with 37 in 1986. These 42 enterprises included 26 general construction enterprises and eight production-service enterprises. Industry accounted for 36 deficit enterprises, compared with 37 in 1986. This included four enterprises in chemical industry, four in food industry, six in building materials industry, and five in timber industry. The number of enterprises in which profits accounted for over 50 percent of the prime costs of sales increased by 43.9 percent in industry and by 63.9 percent in construction.

In 1987 the distributed national income increased about 1 percent compared with 1986. The level of the distributed national income was lower than the level of the national income produced because export outstripped import.

In 1987 the population's consumption of material goods bought for personal incomes increased about 2-3 percent, compared with 1986.

In 1987 gross investment outlays, which boost the value of the economy's fixed assets, increased about 6 percent compared with 1986. Because of the slower rate of increase in the amortization of fixed assets in constant prices, net investment outlays increased at a faster rate than gross investment outlays.

In 1987 the mean gross value of fixed assets in the national economy in constant prices increased by 2.4 percent, compared with 1986.

In 1987 material turnover resources increased in current and in constant prices, but this increase was much lower than in 1986. Material Production [chapter head] Industry [subhead]

Output marketed by public-sector industry increased in constant prices by 3.3 percent. Mining output, which accounted for 7 percent of total industrial production, was as in 1986, but manufacturing production, which made up 93 percent of industrial production, rose by 3.5 percent.

Output marketed by public-sector industry in current production prices rose by 30.8 percent, while production costs rose by 26.6 percent.

The assumptions of the Central Annual Plan were implemented 100.3 percent, electroengineering industry overfulfilling its plan by 2.6 percent and fuel-energy industry by 0.2 percent. In other sectors output marketing was lower than planned. In mineral and timber-paper industries it was by 2.2 percent lower, in light industry by 2 percent, in food industry by 1.6 percent, in chemical industry by 0.8 percent, and in metallurgical industry by 0.7 percent lower.

In 1987 individual branches of industry achieved the following production indexes in constant production prices:

Precision engineering	111.4 percent
Machine-building industry	108.2 "
Electrical engineering and electronics	107.7 "
Transport equipment industry	106.1 "
Chemical industry	105.2 "
Metal industry	105.1 "
Leather industry	105 "
Glass industry	104.8 "
Paper-making	104.8 "
Power industry	104.5 "
Garment industry	103.6 "
Refined ceramics industry	103.2 "
Coal industry	102.1 "
Textile industry	101.6 "
Timber industry	101.2 "
Building materials industry	100.9 "
Food industry	100.9 "
Fuel industry	100.2 "
Nonferrous metals	100.2 "
Iron and steel industry	98.3 "

While output marketing in most branches of industry generally rose, in some branches, including heating gas, metal articles in general use, tractors, fire-proof materials, matches, silk, hosiery, felt, industrial textiles, flour mills, macaroni, liquor, yeast, beer, and refrigerators, production decreased.

Industrial output marketed in constant production prices for home use increased by over 2 percent, export production increased by about 5 percent, and production for use in industrial manufacturing and development, and for other purposes, rose by 3.5 percent.

Output marketed by small-scale industry in constant production prices increased by 3.7 percent. The share of small-scale industry in the value of the production marketed by the public-sector industry amounted to 5.5 percent, in employment to 11 percent, and in workers wages to 9 percent.

Production in 1987 of certain major articles by publicsector industry was as follows:

Item	Unit of measure	Absolute figures	1986 equals 100
Hard coal	million tonnes	193	100.5
Lignite	"	73.2	108.8
Coke from hard coal	"	17.1	104.1
Natural gas	hundred cubic meters	5,745	98.6
Refined crude oil	million tonnes	14.3	101.1
Electricity energy	terawatt-hours	146	103.9
Crude steel	million tonnes	17.1	100
Rolled goods	"	12.4	100.6
Electrolytic copper	thousand tonnes	390	100.6
Aluminum	"	47.5	100
Zinc	"	177	98.5
Farm machines and implement	billion zlotys (a)	72.9	103.4
Automated machine tools	pieces	448	107.4
Automated control equipment	billion zlotys (a)	23.5	105.3
Computer systems and equipment	" (a)	41.7	112.6
Semiconductor elements:	million pieces	322	105.1
—integrated circuits	"	50.4	114.7
Electric rotary machines	"	12.5	98.7
Batteries	thousand pieces	2,446	87.2
Passenger automobiles	"	293	101.3
Truck and road tractors	"	45.6	99
Seagoing vessels from 100 DWT upward	thousand dwt	325	60.5
Household rotary washing machines	thousand of pieces	523	105.6
Automatic washing machines	"	255	92.1
Household refrigerators and freezers	"	509	89.5
Radio receivers (including within sets)	"	2,824	103.5
Tape recorders	"	355	87.5
Black-and-white television sets	"	432	93.6
Color television sets	"	214	126.7
Sulfur in terms of pure component	thousand tonnes	4,967	101.5
Artificial fertilizers (excluding lime fertilizers) in terms of pure component	"	2,622	103.8
—Nitrogenous fertilizers	"	1,543	106.8
—Phosphate fertilizers	"	943	99.4
Synthetic compounds	"	639	101.1
Chemical fibers	"	237	101.7
Pharmaceuticals	billion zloty (a)	85.3	107.6
Detergents and soap	thousand tonnes	357	101.3
Tires	thousand pieces	7,993	95
Cement	million tonnes	16.1	101.6
Walling materials (in terms of fired solid bricks)	million pieces	8,893	96.4
Sawn timber	cubic decameters	5,787	96.7
Furniture	billion zloty (a)	141	101.9
Paper	thousand tonnes	1,159	105.3
Cotton fabrics (b)	thousand kilometers	745	90.8
Woolen fabrics (b)	"	99.3	96.2
Silk fabrics (b)	"	120	93.5
Knitted articles	million pieces	293	85.9
Footwear (minus rubber footwear)	million pairs	151	103
Meat and fats (excluding private slaughtering)	thousand tonnes	2,244	99.3
Sea fish catch (c)	"	637	104.7
Butter	"	264	101.5
Sugar (as refined)	"	1,675	96.2
Edible vegetable oils	"	329	107
Cigarettes	billion pieces	98.7	104.7
Item	Unit of measure	Absolute figures	1986 equals 100
Industrial compound feeding stuffs	thousand tonnes	8,070	102.8

(a) denotes constant selling prices; (b) including fabrics with synthetic fibers; (c) including catches by private fishermen.

Productivity in public-sector industry in terms of output marketed for every worker in constant production prices increased by 3.8 percent compared with 1986 and by 3.4 percent in terms of worker-hours worked.

Construction [subhead]

Total construction in 1987 was about 1 percent higher than in 1986, but construction work by socialized construction and refurbishing enterprises in terms of fixed prices was 1.7 percent lower than in 1986. Some 94.8 percent of the Central Annual Plan's construction tasks were fulfilled.

The basic output of general construction enterprises rose by 2.4 percent and that of specialized construction enterprises by 2 percent. But the output of production-service enterprises fell by 6.5 percent.

Work efficiency, measured in terms of the value of primary production for every employee in construction and refurbishing enterprises, was 0.6 percent higher than in 1986.

Agriculture [subhead]

The weather conditions for agriculture in 1987 were generally unfavorable.

Overall agricultural output in 1987 in terms of fixed prices was about 3 percent lower than in 1986, which was a very good year for agriculture. At the same time, 1987 output was about 4.5 percent higher than the average output during the 1982-6 period. Plant production was about 2 percent lower and animal production over 4 percent lower than in 1986. Some 97.6 percent of the 1987 Central Annual Plan's agricultural production tasks was fulfilled. In view of the considerable increase in material outlay for production, the fall in net production was greater than the fall in overall production.

The area and structure of cereals improved yet again. The presence of wheat and wheat-cum-rye in the total planted area increased, but that of rye and oats fell. Given the high yield, this permitted about 26 million tons of cereals to be harvested. The potato and oleaginous plant crop was lower than in 1986 because of the smaller area of plantations and lower yield. The sugar beet crop was also lower. Despite the smaller area allocated for hay, more hay was gathered from meadows than in 1986 because of the higher yield.

The harvest of individual crops was as follows:

Item	1987 harvest in millions of tons	1986 index equals 100	1981-5 average
Cereals	26.1	104.1	117.3
—Wheat	7.9	105.9	150.9
—Rye	6.8	96.4	84.3
—Barley	4.3	98.2	119.8
—Oats	2.5	97.7	93.4
—Wheat-cum-rye	1	400	——
Potatoes	36.3	92.9	99.1
Sugar beets	14	98.4	89.6
Oleaginous plants	1.2	91.4	168.8
Meadow hay	15.4	101.3	105.8

The yield of individual crops was as follows:

Item	1986 yield per hectare in quintals	1986 index equals 100	1981-5 average
Cereals	31.1	102.3	113.1
—Wheat	37.2	100.5	113.1
—Rye	25.8	100.8	104.5
—Barley	33.7	102.1	110.5
—Oats	28.4	105.6	114.1
—Wheat-cum-rye	32.7	93.4	——
Potatoes	187	96.4	111.3
Sugar beets	332	98.8	100.3
Oleaginous plants	23.6	94.4	114.6
Meadow hay	62.6	101.8	107

The vegetable crop amounted to 5.6 billion tons, which is 5 percent more than in 1986. Because of frost-damaged trees, the fruit crop was 25 percent of the previous year's—540,000 tons of fruit were gathered. The crop of berries was the same as in 1986 and amounted to 490,000 tons. In 1987 there was a fall in animal production. In June 1987, the pig population was 2.1 percent lower and cattle population 3.6 percent lower than in 1986. The cow population was 5.2 percent lower.

The farm animal population on 31 December 1987 was as follows:

Item	All farming	Socialized farming	Private farming
Cattle	10,195,000	1,945,000	8,250,000
—cows	4,835,000	638,000	4,197,000
—other	5,360,000	1,307,000	4,053,000
Hogs	19,335,000	5,387,000	13,948,000
—piglets	5,887,000	1,536,000	4,351,000
—shoats	5,981,000	1,672,000	4,309,000
—gilts for breeding	1,939,000	467,000	1,472,000
—gilts in farrow	1,087,000	229,000	858,000
Porkers, bacon hogs, others	5,528,000	1,712,000	3,816,000

The following table shows the farm animal population on 31 December 1987 if the 31 December 1986 index is taken as 100:

Item	All farming	Socialized farming	Private farming
Cattle	96.9	94.9	97.4
—cows	96.3	99.4	95.8
—other	97.4	92.8	99.1
Hogs	98.6	99.5	98.2
—piglets	99.7	100.9	99.3
—shoats	100.7	100.1	101
—gilts for breeding	100.4	102	99
—gilts in farrow	102.4	103.9	102
Porkers, bacon hogs, others	94.5	97.2	93.4

The production of butcher livestock (including for household slaughter) amounted to 2.9 million tons in terms of warm-slaughter meat and fats and was 1.9 percent higher than in 1986. Milk production amounted to 15.1 billion liters and was 1.3 percent less than in 1987. Egg production amounted to 7.5 billion and was 10 percent less than in 1987.

The overall value of farm produce procured from all agricultural sectors by the central procurement apparatus amounted to Z1.776 trillion in terms of current prices and was 17.4 percent higher than in 1987. The value of procurement from socialized farming rose by 13 percent and that from private farming by 19 percent. The value of procurement in terms of fixed prices fell by 3.5 percent.

The procurement of more important animal produce was as follows:

Item	Total in tons	From socialized farming	From private farming
Total	2,265,000	659,000	1,606,000
butcher livestock (in terms of warm-slaughter meat and fats)			
Beef	680,000	149,000	531,000
Pork	1,278,000	441,000	837,000
Poultry	235,000	59,000	176,000
Milk in liters	10,737,000,000	1,880,000,000	8,857,000,000

The following table shows the 1987 index of animal produce procurement if the 1986 index is taken as 100:

Item	Total in tons	From socialized farming	From private farming
Total	97.6	101	96.3
butcher livestock (in terms of warm-slaughter meat and fats)			
Beef	96.9	96.2	97.1
Pork	97.2	102.7	94.5
Poultry	102.6	97	104.7
Milk in liters	101.1	99.6	101.4

Grain procurement from July to December 1987 was 5 million tons, 0.7 percent more than during the same period in 1986. Potato procurement was 3.7 million tons, 6.1 percent less; and sugar beet procurement was 1.7 percent less.

The value, in terms of fixed prices, of delivered agricultural equipment, both domestically produced and imported, was Z194 billion, and that of spare parts was Z125 billion. Some 67,000 tractors were delivered, 1.2 percent more than in 1986. The value of delivered agricultural equipment in terms of fixed prices was about 2.5 percent higher than in 1986. Total sales of protein feed are estimated at 4.8 million tons, 2.2 percent more than in 1986.

Deliveries of artificial fertilizers (measured in pure component equivalent) amounted to 3,600,000 tons, which is 4.7 percent more than in 1986.

For the 1987 harvest, agriculture used 3,583,000 tons of synthetic fertilizers (measured in pure component equivalent), 5 percent more than for the 1986 harvest. This amounts to 192.1 kg per hectare of agricultural land, 9.4 kg more than for the 1986 harvest. Some 3,018,000 tons of lime fertilizer were used, 7.7 percent more than in 1986, which means 161.78 kg per hectare, 11.8 percent more than last year.

Deliveries of plant protection agents (of active substance) manufactured in Poland and imported amounted to 18,400 tons, 26.9 percent more than in 1986.

Imports of grain and feed were 37.2 percent higher than in 1986. Imports of oil cake were oil-meal were 15.2 percent higher and those of fish meal 7.5 percent higher. Imports of chemical feed additives were 52.4 percent higher, those of plant protection agents 24.6 percent higher, and those of potash fertilizers 9.4 percent higher.

Loans granted to the rural population by the Food Economy Bank amounted to Z214 billion, which was 24.3 percent more than in 1986. Loans for investments amounted to Z103 billion, 29 percent more than in 1986. Of this total, loans for building and modernizing housing amounted to Z30 billion, 30.8 percent more than in 1986.

Forestry [subhead]

In 1986, 24 million cubic meters of timber were obtained, 4.9 percent less than in 1986. This includes 22 million cubic meters obtained by state forestry enterprises, which is about 4.4 percent less than in 1986. The Central Annual Plan tasks concerning timber procurement were overfulfilled by 3.1 percent.

Some 18 million cubic meters of timber was removed from forests by state forestry enterprises, somewhat less than in 1986. The timber that was removed constituted 80.6 percent of all the timber gathered, compared with 78.8 percent in 1986.

Some 68,000 hectares were renewed and afforested. Of this, state forestry enterprises renewed and afforested 58,000 hectares (4.1 percent more than in 1986).

The condition of forests continued to be bad. The area of forest infested with pests rose by 33 percent. Some 57,000 hectares were treated with chemical agents, compared with 43,000 hectares in 1986.

Transport [subhead]

State transport enterprises shipped 1,128,000 million tons of goods, 1.7 percent more than in 1986. There were increases in all types of shipments except by pipeline and by sea.

Polish State Railways shipped 428.4 million tons of goods, 0.5 percent less than in 1986. Some 99.3 percent of Central Annual Plan tasks concerning shipments was fulfilled.

Some 7,600 standard-gauge goods wagons were delivered, including 6,900 with four axles. Some 7,900 wagons were withdrawn, including 7,100 with two axles. The average number of defective wagons in any 24-hour period increased by 5.7 percent, and at the same time 0.4 percent fewer wagons were repaired than in 1986.

Some 526 km of track was electrified compared with 550 km in 1986, whereby the total length of electrified track at the end of 1987 was 9,978 km, which is 41 percent of the total length of standard-gauge track.

Goods shipments by state road transport amounted to 613.6 million tons, 3.1 percent less than in 1986, whereby shipments by public transport fell by 6.6 percent and shipments by specialized transport fell by 4.5 percent. Some 97.2 percent of Central Annual Plan tasks concerning goods shipments was fulfilled, including 91.7 percent in the case of public road transport and 98.5 percent in the case of specialized road transport.

Public and specialized road transport enterprises and cooperatives operated an average of 103,700 goods trucks and tractors daily, 1.7 percent less than in 1986. The roadworthiness of vehicles fell compared with 1986, but their utilization rose.

Some 14.8 million tons of goods were shipped by inland waterways, 0.8 percent less than in 1986. Some 90 percent of Central Annual Plan tasks in this sphere was fulfilled.

Some 30.2 million tons of goods were shipped by sea, 5 percent more than in 1986. Some 98.7 percent of Central Annual Plan tasks in this sphere was fulfilled. At the end of the year, the total tonnage of the Polish maritime transport fleet was 4,100,900 deadweight tons. Eighteen vessels with a total deadweight tonnage of 255,400 were withdrawn, and eight new vessels with a total deadweight tonnage of 125,400 were gained, including two vessels of the roll on-roll off type, two bulk carriers, one tanker, and three general cargo vessels.

Some 50.2 million tons of goods were handled at commercial ports, 9 percent more than in 1986. The Central Annual Plan tasks in this sphere were overfulfilled by 1.5 percent.

Some 3,467,000,000 passengers were carried by public transport, 0.3 percent more than in 1986. Polish State Railways carried 1.3 percent fewer passengers than in 1986, which is 97.3 percent of the Central Annual Plan tasks in this sphere. The State Road Transport Enterprise carried 1 percent more passengers, overfulfilling the Central Annual Plan tasks in this sphere by 0.7 percent.

Communications [subhead]

The number of items sent through the post was 3.6 percent higher than in 1986, the number of checking and savings transactions by the Polish Savings Bank was 8.7 percent higher, and the number of self-dialed intercity telephone calls was 7.1 percent higher.

The number of telephone subscribers on 31 December, 1987 was 2,774,600, which was 149,500 more than at the end of 1986. The Central Annual Plan tasks in this sphere were overfulfilled by 0.8 percent.

Foreign Trade [subhead]

Foreign trade in terms of fixed prices was higher than in 1986. There was an increase in trade in terms of zloty current prices, mainly as a result of the increase in exchange rates. The trade structure for each area of payments was as follows:

Item	Current Prices		
	Exports	Imports	Balance
Total	3,228	2,868	Plus 360
First area of payments in millions of rubles	10,939	10,945	Minus 6
Second area of payments in millions of U.S. dollars	7,056	5,816	Plus 1,240

The following table shows trade calculated in fixed and current prices compared with 1986, using the same currency as above:

Item	Current prices		Fixed prices	
	Exports	Imports	Exports	Imports
Total	152.6	146	104.6	104.9
First area	105.9	101.1	104.7	104.5
Second area	108.4	107	104.4	105.3

Concerning trade with the first area of payments, planned exports were exceeded by 1.1 percent and planned imports by 2.9 percent. The trade deficit amounted to R6 million, against the R501 million in 1986. The terms of the trade indicator, showing the ratio between changes in the prices of exported goods and changes in the prices of imported goods to and from the first area of payments, was favorable for the second year running and amounted to 104.6 (in 1986 it was 100.6).

The PPR's debts in socialist currency rose from R6.5 billion at the end of December 1986 to R6.6 billion at the end of November 1987. The interest paid on loans up to the end of November amounted to R0.3 billion, compared with the R0.2 billion that was paid in the whole of 1986.

Concerning trade with the second area of payments, planned exports were exceeded by 7.7 percent and planned imports by 10.1 percent. There was a trade surplus of $1.24 billion, $168 million more than in 1986. For the third year running, the terms of the trade indicator with the second area of payments was a favorable one and amounted to 102.2 (compared with 100.7 in 1986).

The PPR's debts in capitalist currency rose from $33.5 billion at the end of December 1986 to $37.6 billion at the end of November 1987. The further fall of the dollar against other currencies, in which about 60 percent of our convertible currency trade is expressed, was responsible for $2.9 billion of this increase in debts. The interest paid on loans up to the end of November amounted to $0.8 billion, compared with the $1.2 billion paid in the whole of 1986.

Concerning exports to the first area of payments, electrical goods continued to occupy 60 percent of them, construction materials rose by 6.4 percent, and fuels and energy fell. Concerning exports to the second area, electrical goods remained at 25 percent, chemicals and food rose, and fuels and energy fell. Exports of bituminous coal in 1987 amounted to 31 million tons, 3.4 million tons or 9.8 percent less than in 1986.

Less fuels and energy were imported from both areas of payments, but more agricultural produce, mainly cereals and protein feed.

There was a considerable rise in imports from the first area of payments for investment and market purposes, but a small rise in imports for supply and market purposes. Imports from the second area for investment purposes rose considerably, but those for supply purposes rose insignificantly and those for market purposes fell. Fulfillment of the planned imports in order to supply production was as follows: From the first area of payments the plan was somewhat overfulfilled (by 0.6 percent), compared with the 1.6 percent excess in 1986, and the value of these imports in rubles fell by 1.8 percent against the 1986 figure. But from the second area of payments the plan was underfulfilled by 1.5 percent, and the value of imports in U.S. dollars rose by 9.5 percent.

Just like in 1986, 26 percent of the imports from the second area of payments were paid for out of the funds of enterprises and organizations, mainly out of their foreign currency export accounts. At the end of 1987, the credit balance in these accounts amounted to $411 million (compared with $1.473 billion in 1986).

In pursuance of the long-term programs of CEMA economic and scientific-technological cooperation, 1987 saw a further increase in direct cooperation in production, science, and technology between enterprises and organizations and in the direct exchange of general purpose goods with USSR domestic trade units. By the end of 1987, 60 pairs of manufacturing enterprises had signed cooperation contracts.

Joint CEMA undertakings with PPR participation on USSR territory involving fuels and materials continued. They were aimed at assuring long-term supplies of natural gas, electricity, and crude oil.

At the end of 1987, foreign trade concessions were held by 545 trade units, consisting of 76 foreign trade enterprises, 169 legal persons in other sectors of the national economy, and 360 physical persons.

The Development of Science and Technology [subhead]

Some 116 central research-development programs, 123 central basic research programs, and 450 government orders involving scientific and technological progress were carried out.

At the end of 1987, state industry had at its disposal 3,700 automatic production resources, about 22.3 percent more than in 1986. The number of automatic production lines rose from 2,013 in 1986 to 2,124 in 1987; that of control centers rose from 351 to 408, that of industrial robots and manipulators from 171 to 232, and that of computers for controlling production processes from 487 to 930. Despite this increase, the application of industrial robots and manipulators was still low.

Some 1,900 new technologies were introduced and the manufacture of about 4,000 new products was started. It is estimated that the percentage occupied by new and modernized products among the total value of sold production rose from 3.9 percent in 1986 to 4.8 percent in 1987, including a rise from 10.3 to 11.6 percent in the case of electrical goods and from 4.3 to 4.5 percent in the case of goods produced by the chemical industry.

The manufacture of the following was commenced: the new S-415 heavy goods truck, coal excavators for shallow seams, drills for microscopic apertures, a new type of vacuum pump, new electronic components and equipment, the prototype of an electric locomotive capable of traveling at up to 160 km per hour, the prototype of a satellite television antenna, energy-saving boilers, new heart drugs and other medicines, and new plant protection agents.

By the end of 1987, the number of goods marked with the "Q" and "1" quality symbols amounted to 23,100, which was 500 or 2.2 percent less that at the end of 1986.

Some 5,700 Polish inventions were registered with the Patent Office in 1987, compared with 5,500 in 1986. Most of them were connected with the modernization of production processes, chemistry, electrical technology, electronics, and transport. Some 73 inventions were patented abroad, 5 percent more than in 1986.

The number of practical formulas that were registered was 2,200, which is 15 percent more than in 1986.

In state industry, 124,600 designs for inventions were presented, 82,500 approved, and 69,000 implemented. Compared with 1986, these numbers were 1.6, 1.2, and 1 percent less respectively.

Investments [subhead]

Capital spending in the national economy in terms of current prices amounted to Z3.8 billion. In terms of fixed prices, it was 5.6 percent higher than in 1986. The plan in this sphere was overfulfilled by 3 percent.

Capital spending in the socialized economy was Z3.198 trillion, of which Z1.834 trillion was for building and refurbishing and Z1.138 trillion for the purchase of machines and equipment. Compared with 1986, overall capital spending in terms of fixed prices rose by 5.9 percent, spending on building and refurbishing by 2.5 percent, and spending on machines and equipment 12.1 percent. The plan in this sphere was overfulfilled by 3 percent; the plan concerning spending on building and refurbishing was overfulfilled by 1.1 percent.

Capital spending on central projects during the period January-September 1987 was 7 percent lower than during the same period in 1986, but spending on enterprise projects was 8.5 percent higher. Spending on cooperative housing construction fell by 0.6 percent.

Some 47.9 percent of the spending of material production enterprises during the period January-September 1987 was for modernization and reconstruction work, compared with 44.5 percent during the same period in 1986. Spending for this purpose rose from 49.5 to 50.7 percent of the spending on newly commenced tasks.

The Money-Market Situation [subhead]

According to data provided by the Polish National Bank, personal income derived from units in the socialized economy totalled Z9,839 billion and was Z2,118 billion higher than in 1986, which represents an increase of 27.4-percent. The increase in income was accounted for by a 21.8-percent increase in wages, a 29.9-percent increase in social welfare benefits, a 57.8-percent increase in revenue in the private non-agricultural sector, and a 19.8-percent increase in revenue obtained from sales of agricultural produce (procurement) to the socialized economy. The revenue obtained by the non-agricultural private sector and farmers is earmarked for production, investment, and consumption.

Personal expenditure amounted to Z9,306 billion and was 30.3 percent higher than in 1986. The population spent Z7,302 billion on purchases of goods in units of the socialized economy, that is, about 30 percent more than 1 year ago. Payments made by the population for services provided by state sector units amounted to Z1,070 billion, that is, 31.2 percent more than a year ago.

The population's financial reserves amounted to Z3,766 billion at the end of 1987 and were Z534 billion (16.5 percent) higher than at the end of 1986.

The value of retail sales of consumer and other goods to the population and units of the socialized economy (so-called non-market sales) amounted to Z7,834 billion at current retail prices and was 29.5 percent higher than

in 1986. The percentage of retail sales accounted for by foodstuffs fell from 31.4 percent in 1986 to 30.4 percent and from 13.7 percent to 13.6 percent in the case of alcoholic beverages, whereas sales of non-foodstuffs increased from 54.9 percent to 56 percent.

Retail prices of goods and consumer services increased by about 26 percent; prices of goods in the socialized trade sector increased by about 24 percent and those in the private sector by about 36 percent. Prices of foodstuffs increased by about 23 percent; prices in the socialized trade sector, where the population makes about 73 percent of its foodstuff purchases, increased by about 19 percent. Prices of foodstuffs in the private sector increased by about 34 percent and those charged at markets by about 38 percent. The increase in the foodstuff price index was influenced by the higher prices for agricultural produce than a year ago; this apply particularly to fruit (leaving aside increases in fruit prices, foodstuff prices were about 20 percent higher compared with 1986). Fruit prices increased by about 95 percent, by about 50 percent in the private trade sector and those charged at markets by about 134 percent. Prices of non-foodstuffs were about 26 percent higher than in 1986. Prices of alcoholic beverages increased by about 29 percent. Prices of consumer services in the socialized and non-socialized sectors increased by about 32 percent.

According to preliminary estimates, retail sales were more than 3 percent higher than in 1986 in terms of fixed prices. Sales of foodstuffs increased by more than 3 percent and those of non-foodstuffs by about 4 percent. Sales of alcoholic beverages, on the other hand, fell by about 1 percent.

Supplies of non-foodstuffs were insufficient to meet demand in the case of, inter alia, consumer durables (furniture, automobiles, electrical appliances, especially television sets), and items manufactured by light industry (including woolen fabrics, undergarments, panty hose, toiletries, building materials, and diesel oil). Shortages of these goods became worse during the last few months of 1987 as a result of the extensive buying up of most goods. [Text] Supplies of selected categories of goods were as follows:

Item	Metric Unit of Measure	Absolute Figures	1986 equals 100
Meat, poultry, products, innards	thousands of tons	1,723	101.1
Fish and fish products	thousands of tons	223	98.4
Edible fats:			
—Animal	thousands of tons	134	105.1
—Oil	thousands of tons	68.9	112.2
—Margarine	thousands of tons	169	108.7
—Butter	thousands of tons	285	99.6
Milk	millions of liters	2,289	101.4
Mature and processed cheeses	thousands of tons	120	104.5
Cottage cheeses	thousands of tons	279	111.1
Wheat flour	thousands of tons	547	109.1
Pasta	thousands of tons	78.2	104
Sugar	thousands of tons	1,260	119
Sweets (excluding chocolate)	thousands of tons	149	99.6
Chocolate and chocolate products	thousands of tons	43.2	109.6
Clear and flavored vodkas (expressed as 100° proof)	millions of liters	152	97.7
Wines and mead	millions of liters	314	106
Beer	millions of liters	1,137	102.8
Cigarettes	billions	101	102.5
Fabrics:			
—cotton and cotton-like	thousands of kilometers	141	109.7
—wool and wool-like	thousands of kilometers	47.9	107.7
—silk and silk-like	thousands of kilometers	67.2	97.6
Knitwear products	millions of articles	300	89.5
Hosiery products	millions of pairs	292	98.6
Overcoats	millions	12.7	95.1
Suits	millions	48.8	102.8
Footwear (excluding rubber and textile footwear)	millions of pairs	115	101.7
Rubber and textile footwear	millions of pairs	9.5	78.1

Item	Metric Unit of Measure	Absolute Figures	1986 equals 100
Aluminum and enamelled kitchen and household utensils	millions	38.4	92.1
Refrigerators and freezers	thousands	902	94.6
—freezers	thousands	261	106.2
Washing-machines and spin-dryers	thousands	1,272	104.2
Sewing machines	thousands	303	100.7
Radio receivers	thousands	1,716	100.7
—stereo receivers	thousands	256	108.5
Black-and-white television sets	thousands	405	84.9
Color television sets	thousands	367	127.9
Radio-tape units	thousands	445	82.4
Tape-recorders	thousands	313	86.1
Passenger automobiles	thousands	163	92
Motorcycles	thousands	35.4	106.3
Motor-bicycles	thousands	111	114.1
Bicycles	thousands	1,439	98.7
Dining-room furniture	thousands of suites	236	77.3
Kitchen furniture	thousands of suites	208	82.1
Couches and sofas	thousands	776	91
Detergents	thousands of tons	245	100.4
Semi-toilet, toilet, and special soaps	thousands of tons	60.9	89.6
Shampoos a)	thousands of tons	25.2	123.6
Toothpastes a)	thousands of tons	6.8	114.9
Bituminous coal and bituminous coal briquettes	thousands of tons	30,807	108.3
Gasoline	thousands of tons	1,840	99.7
Diesel oil	thousands of liters	761	123.8
Cement	thousands of tons	5,371	114
Lime	thousands of tons	629	101.9
Asbestos-cement panels	square kilometers	30.9	104.8
Walling materials (in terms of solid red bricks)	millions	4,327	99.1
Flat and drawn glass	square kilometers	11.1	106.8
Glass table-ware and fine glass goods a)	thousands of tons	30.9	106.2
Timber for building foundations	square kilometers	4	107.4

a) excluding supplies of imported goods.

At the end of 1987 the value of stocks of goods held by the socialized trade sector (in warehouses and retail outlets) in terms of current prices amounted to Z1,162.5 billion and was 11.5 percent higher than a year ago.

The value of stocks of foodstuffs on 31 december 1987 amounted to Z188 billion (about 18 percent more than 1 year ago), those of alcoholic beverages to Z34.9 billion (about the same level as 1 year ago), and those of non-foodstuffs to Z939.6 billion (that is, 11 percent less than a year ago).

The Population's Living Conditions [Chapterhead]

During 1987 there was a significant increase in fominal personal income while prices and the cost of living rose at the same time.

Wages [subhead]

Average monthly wages per employee in the socialized economy, comprising remuneration for work performed during normal working hours and overtime—including payment for work performed on Saturday holidays—profit distribution payments, payments made from cooperative surpluses, and payments made from enterprise award funds, are estimated to have amounted to Z29,200 and increased by Z5,100 compared with 1986, that is, by about 21 percent.

It is estimated that overtime payments accounted for about 6.4 percent of average monthly wages: In the material production sphere the figure was about 6.6 percent (7.6 percent in industry as a whole, and 18.5 percent in the case of mining) and about 5.6 percent in the non-material production sphere (about 13.8 percent in the case of education).

Average monthly wages in the socialized economy were as follows during 1987:

	Thousands of Zlotys	1986 equals 100
Total	29.2 a)[footnote notation not further explained]	121
Material production sphere:		
Industry	33.3	121
—mining	58.4	119
—manufacturing	29.5	121
Construction	32.2	120
Agriculture	28.5	119
Forestry	24.6	117
Transportation	28.4	123
Communications	24.8	123
Trade	24.6	122
Communal economy	27.2	121
Non-material production sphere:	24.7	122
Housing administration and non-material communal services	27.5	125
Science and technology	33.7	115
Education	23.1	122
Arts	25.8	123
Health care and social welfare	22	120
Sport, tourism, and rest	27.7	125
State administration and justice	29.7	123
Finance and insurance	26.9	123

Social Benefits [subhead]

Total pension payments amounted to Z1,262 billion and increased by Z327 billion compared with 1986, of which Z177 billion was accounted for by the pension increases that were introduced in March and September 1987. The average number of persons in receipt of pension was 6,551,000 and 174,000 higher than in 1986, which represents an increase of 2.7 percent.

Specific retirement and other pensions (excluding pension paid to farmers) were as follows:

—the average monthly retirement pension was Z18,800 (an increase of 33.7 percent),

—the average disability pension was Z14,200 (an increase of 31.8 percent),

—the average monthly family pension was Z14,100 (an increase of 34.9 percent).

The average monthly pension (excluding pensions paid to farmers) was worth 64.5 percent of the average monthly wage in the socialized economy, whereas in 1986 it was worth 58.4 percent.

At the end of September 1987, 7 percent of persons in receipt of pension (excluding farmers) received benefits worth up to Z10,000, the majority of which were people in receipt of group three disability pensions, 45 percent received pensions of between Z10,000 and Z16,000, 36 percent received pensions of between Z16,000 and Z25,000, and 12 percent received pensions worth more than Z25,000.

The average monthly pension paid to private farmers was worth Z11,600, which represents an increase of 25.6 percent compared with the previous year.

Social insurance benefit payments (excluding sickness benefit payments made from workplace funds) totalled Z280 billion, which represents an increase of 9.1 percent compared with 1986. Payments of family benefits and benefits for the care of sick people amounted to Z187 billion (an increase of 6 percent). Payments of maternity benefits totalled Z24 billion (an increase of 15.5 percent), those of attendance benefits purposes totalled Z19 billion (an increase of 17.1 percent), and those of benefits for upbringing purposes totalled Z13 billion (an increase of 6.3 percent).

Living Costs [subhead]

The increase in the cost of consumer goods and services during 1987 and the effects of the price changes introduced in 1986 meant that the cost-of-living indices for families of persons employed in the socialized economy rose by about 26 percent, those for persons in receipt of pensions rose by about 27 percent, and those for peasant families rose by about 25 percent (by about 27 percent if the consumption of items produced on private agricultural holdings are taken into account). It is estimated

that the effect of the price changes introduced during 1987 on the increase in the cost-of-living was about 18 points, whereas the effect of the 1986 price changes was about 8 points.

Cost-of-living indices—calculated as set down in the National Socioeconomic Plan, that is excluding increases in the prices of alcoholic beverages and tobacco products—rose by about 22 percent in the case of households of persons employed in the socialized economy. This was the result of the price changes introduced in 1986 (about 6 points) and the growth of prices during 1987 (about 16 points). The cost of living for peasant families rose by about 19 percent and by about 26 percent in the case of families of persons receiving pensions.

Real wages for persons employed in the socialized economy, without taking account of increases in the prices of alcoholic beverages and tobacco products, were approximately the same as in 1986.

According to preliminary date, state budget expenditure on social and cultural services was as follows:

	Z billions	1986 equals 100
Total	1,383	127.6
Education	495	125.1
Higher education	110	125.8
Culture and the arts	87	127.2
—subsidies for the cultural development fund	80	134.3
Polish radio and television	2	95.6
Health care and social welfare	665	130.1
Sport, tourism, and leisure	24	112.4

Social and cultural services were also financed from enterprise social funds. Financing from this source amounted to approximately Z114 billion compared with Z91 billion in 1986.

In 1987 there was a further increase, one of 21,800, in the number of children of preschool age (3 to 6 years old) and an increase of 118,700 in the number of children of compulsory school age (7 to 14 years old). The number of children in the kindergarten age group declined.

There were 106,700 places in nursery schools at the end of year, which was 900 more than at the end of 1986.

Preschool educational centers were attended by 1,415,000 children, that is, 0.5 percent more than during the previous year. Overcrowding in kindergartens fell from 120 children for every 100 places in 1986 to 117 for every 100 places in 1987. Preschool education was provided for 51 percent of children in the 3 to 6 age group, about the same number as in 1986, and about 96-97 percent of children in the 6-year-old age group.

During the school year 1987-88, schools of all types were attended by about 7,568,000 persons, that is, about 20 percent of the population.

Elementary schools were attended by 5,134,000 pupils, that is, 2.1 percent fewer than during the previous school year. General secondary schools were attended by 422,000 (5.6 percent more) and vocational schools of all types by 1,668,000 (4.3 percent more).

Of the 344,000 students in higher education, 266,000 were attending full-time classes. In 1987, 55,000 persons were admitted to the first year of studies, that is, 3.3 percent more than in 1986. Continuing education courses for working people were begun by 18,000 persons, that is, by about 5.9 percent more. Grants were received by 138,000 (53.3 percent) of full-time students, and student cafeterias were used by 59,000 persons, that is, by about 22 percent of all students.

There were 77,000 physicians at the end of 1987, that is, 1,800 more than at the end of 1986. There were about 17,600 dentists, which represents an increase of 202. There were 20.5 physicians and 4.7 dentists for for every 10,000 people (the figures for 1986 were 20.1 and 4.6 respectively).

There were 214,500 beds in general hospitals, which represents an increase of 1,600 compared with the end of 1986.

There were 3,305 health centers in operation at the end of 1987, that is, 15 more than a year ago.

The number of places in social welfare homes rose by 554 and amounted to 65,800 at the end of 1987.

Publishing houses covered by the Central Publishing Plan published about 5,600 books and brochures printed in about 242 million copies. The number of titles and the size of print runs was about the same as in 1986.

Fifty-two newspapers and 797 periodicals were published during 1987. Newspaper print runs totalled 2,341 million copies and were slightly lower than in 1986. Periodical print runs amounted to about 980 million copies and were about 9 percent higher than in 1986.

There were 10.7 million radio subscribers, which is 1.5 percent more than in 1986, and the number of television subscribers came to 9.9 million, which represents an increase of 1.6 percent.

About 5.2 million people traveled abroad (the figure for 1986 was 4.3 million), of which 4 million traveled to socialist countries (the figure for 1986 was 3.4 million).

During 1987, there were about 8 million theater attendances and about 94 million movie theater attendances, which was about same number as in 1986.

The number of people taking vacations was 3.9 million, that is, about 1 percent fewer than in 1986. Vacation camps were attended by 1,835,000 children and young people (that is, 94,000 fewer).

Working People's Council Meeting Continues

Olteanu Speaks at Plenum

AU120847 Bucharest SCINTEIA in Romanian 6 Feb 88 p 4

[Unattributed report on "Speech by Comrade Constantin Olteanu," member of the Political Executive Committee of the RCP Central Committee, first secretary of Bucharest Municipality RCP Committee, and mayor of Bucharest Municipality, to the plenary meeting of the National Council of Working People, held on 4 February in Bucharest]

[Text] Much esteemed and beloved Comrade Nicolae Ceausescu, much esteemed Comrade Elena Ceausescu, esteemed Comrades;

Please allow me within the framework of this representative forum of our workers revolutionary democracy to also express the unanimous support of the Communists and of all the working people in Bucharest with the provisions of the 1988 plan, which is based on Comrade Nicolae Ceausescu's guidelines and has been scientifically drawn up in complete accordance with the supreme desires and interest of the Romanian people and with the decisive contribution of our illustrious leader.

In their efforts to implement the decisions of the 13th party congress to ensure the accelerated progress of our country, the working people in Bucharest, just like all our nation, follow with enthusiasm the brilliant example of devotion and revolutionary pathos of the magnificent founder of the most fruitful period in our long history, Comrade Nicolae Ceausescu.

We are highly grateful for your masterly theoretical work and for your decisive contribution to drawing up and implementing the programs to ensure Romania's progress toward the highest pinnacles of civilization. We are firmly convinced that the prodigious work which you, much esteemed Comrade Nicolae Ceausescu, are carrying out at the helm of the party and the country, represents the guarantee for promoting a renewing spirit and for fully asserting the constructive spirit of our people, who are successfully building the comprehensively developed socialist society in Romania and are ensuring the progress of our homeland toward communism.

After the speaker had emphasized that the 1987 accountability report includes the fact that a more than 3 billion lei's worth of additional commodity production had been achieved, he further said: Under the leadership of party bodies and organizations, the working people in Bucharest Municipality have resolutely begun to prepare the necessary conditions for the implementation of this year's plan provisions. On the basis of the recommendations which Comrade Nicolae Ceausescu extended to us during his meetings with the collective management bodies in the units which he visited together with Comrade Elena Ceausescu, the Bureau of Bucharest Municipality Party Committee has increased its activity to guide the working people's councils to adopt measures which can ensure the fulfillment of the plan provisions, improve the quality of products, increase economic efficiency, and can ensure the strict observance of the principles of workers' self-management and self-administration.

We report that, in the first month of the year, Bucharest Municipality generally fulfilled its plan in terms of commodity goods production, achieved the productions stipulated in the exports contracts, while in the field of investments, a greater amount of construction-assembly work has been achieved than the amount stipulated in the plan. In order to commendably fulfill all plan indicators in 1988, we should work more resolutely to improve the style and method of work within the party bodies and the working people's councils and we should assist them in solving basic production problems. Then the speaker said: In implementing the program for modernizing production, enterprises in Bucharest enjoy the substantial assistance of the collectives of experts in research and education, fields which are most competently coordinated by Comrade Academician Dr Engineer Elena Ceausescu, an outstanding politician and scientist of world renown, who is making a brilliant contribution to asserting science and education as basic factors for the multifaceted progress of our country.

We will continue to pay particular attention to our activity in the field of investments, whose volume this year should exceed 40 billion lei and we will make greater efforts to ensure a better organization of work on work sites in order to put into operation the planned capacities and to complete the great construction works and city development objectives which are under construction. The great standardization project, which is being carried out under the direct leadership of the party secretary general, will sum up the huge transformation process and will give Bucharest the characteristics of a modern metropolis—the pride of our whole nation. The outstanding progress that has been registered in the development of our capital city is organically and harmoniously included among our nation's great achievements which have been registered mainly in the years that have elapsed since the historic 13th RCP Congress and which give our whole country a new aspect.

Fully in keeping with the activity devoted to the implementation of programs of unparalleled extent, Socialist Romania and the president of the Republic are promoting a policy of broad cooperation and peace, a policy which is solidly based on the principles of independence and sovereignty, noninterference in domestic affairs, and respect for each nations' desire to choose and decide on its own development path.

One cannot help being surprised and becoming justifiably indignant at the attitude of those who resort to revisionist methods—which are part of a sad memory

and belong to a time that vanished long ago and which have been refuted by life and condemned by the people and by history—of those who try to slander our past work and struggle to defend our ancient hearth and to preserve our national being, and of those who try to malign the achievements registered in the years of socialism. Such attempts—no matter where they might come from—seriously harm the relations of understanding and cooperation among people, and they must get the rebuff they deserve.

The working people in Bucharest categorically reject and fiercely fight against such attitudes, and are proud of their great socialist achievements; full of ardent feelings of socialist revolutionary patriotism and of feelings of militant solidarity with all the peoples and progressive forces everywhere, and deeply devoted to the scientific and wise domestic and foreign policy promoted by our party, the working people in Bucharest follow, with boundless confidence, the party and its secretary general, Comrade Nicolae Ceausescu, and through their work they reaffirm their determination to make utmost efforts to implement the programs for the homeland's progress and to ensure the assertion of Socialist Romania as a free, independent, sovereign, and dignified country in the great family of the world's countries.

Reaffirming the complete support with the documents submitted for discussion, allow us to assure the plenary meeting of the National Council of Working People and to assure you, much esteemed comrade secretary general, that the working people in Bucharest Municipality will increase their efforts with a view to fulfilling the plan in order to obtain at least 2 billion lei's worth of commodity production in 1988. We express the thoughts and feelings of all the inhabitants of the capital city and—on this occasion, too—we pay ardent homage to the party secretary general and the president of the republic, Comrade Nicolae Ceausescu, the great hero of our nation, who, with exemplary devotion and revolutionary enthusiasm, serves the supreme interests of the Romanian people and the cause of socialism, peace, and progress.

Report on Other Speeches

AU120906 [Editorial Report] Bucharest SCINTEIA in Romanian on 6 February on pages 4 and 5 under the headline "Proceedings of the Plenary Meeting of the National Council of Working People" carries 17 reports, ranging between 400 and 100 words, on speeches made to the 4 February plenary meeting of the National Council of Working People by workers, county party secretaries, or heads of enterprises representing various counties of the country.

Constantin Olteanu is the only full member of the Political Executive Committee of the RCP Central Committee whose speech to the plenary meeting is reported and who speaks in his capacity as first secretary of Bucharest Municipality Party Committee.

All the speeches, which total about 9,000 words, deal in general terms with various achievements registered in the various counties, enterprises, or units. All speakers praise Nicolae Ceausescu's "efforts to ensure the development of all branches of the economy" and pay homage to him on his recent 70th birthday and on the "anniversary of more than 55 years of constant and heroic revolutionary activity." Only four speakers mention Elena Ceausescu and express their "admiration and gratitude" for her contribution "to drafting and implementing the party policy and to ensuring the assertion of Romanian science, education, and culture."

Mihai Marina, candidate member of the Political Executive Committee of the RCP Central Committee speaks in his capacity as first secretary of Constanta County RCP Committee. He notes the achievements of his county in general terms and is reported as saying that "measures have been taken to strengthen order and discipline, and to increase the responsibility of the working people's councils, experts, and management cadres in order to eliminate the shortfalls and lags that we registered in our activity and in the work of some collective management bodies and of some cadres in 1987."

All speakers are reported as pledging to improve activity in their respective fields and to achieve better results in the coming year than the results obtained last year. None of them mention any concrete shortfalls or mistakes in their activity last year.

Ferdinand Toth, speaking on behalf of "Communists and all the citizens of Caras-Severin County," and Andrei Csillag, speaking on behalf of "the Working people in Cluj County" are the two ethnic Hungarians whose 600-word and 700-word speeches respectively are reported. They also speak of the overall achievements, pledge to attain better results next year, and are not reported as mentioning any nationality issues.

All the reported speeches conclude with pledges to follow Nicolae Ceausescu's example and "work with self-denial, enthusiasm, and revolutionary devotion to ensure the complete fulfillment of the plan provisions" and "ensure the advance of our dear homeland to new pinnacles of progress and civilization."

Soviet-Romanian Treaty Anniversary Observed

AU111232 Bucharest SCINTEIA in Romanian 4 Feb 88 p 4

[Unsigned editorial article: "The 40th Anniversary of the First Treaty of Friendship, Cooperation, and Mutual Assistance Between Romania and the Soviet Union"]

[Text] The conclusion of the first Treaty of Friendship, Cooperation, and Mutual Assistance Between Romania and the Soviet Union was of historic significance for the evolution of relations between the two countries and peoples. The new treaty, signed in July 1970, sanctioned

and raised to a higher qualitative level the relations of friendship and solidarity—which have rich and bright traditions—between the two peoples of the two countries and their democratic and revolutionary forces.

As is well-known, the continuous development of friendship and comprehensive cooperation with the Soviet Union is a constant orientation of our party and state, which have focused Romania's foreign policy on strengthening and expanding friendly cooperation with the socialist countries, primarily with the neighboring socialist countries. This orientation is sanctioned by the RCP program and reconfirmed by all documents of the party's congresses and national conferences.

Life itself has shown that the decisive role in developing Romanian-Soviet ties is played by the relations of friendship and solidarity between the RCP and the CPSU; in this respect, particular significance devolves on summit meetings and talks. The official friendship visit to our country last May by Comrade Mikhail Gorbachev, at Comrade Nicolae Ceausescu's invitation, and the talks conducted on that occasion, as well as the November 1987 meeting between the two leaders in Moscow were a telling expression of the durability of the ties between our peoples and countries.

A reason for joint satisfaction is the fact that the Romanian-Soviet ties of friendship and cooperation are strengthening and diversifying in all fields. The political cooperation between our parties, governments, parliaments, and mass and public organizations is developing and the exchanges of experience in the most diverse fields of socialist construction are intensifying, something which has great importance for better understanding the achievements and concerns of our peoples and strengthening their friendship.

Economic cooperation has acquired great scope. This cooperation is the decisive factor for the comprehensive progress of the two countries, and also represents the material foundation of our cooperation. It is significant that, in the entire period since the signing of this treaty which we are celebrating today, the Soviet Union has always occupied first place in Romania's overall foreign economic relations. In recent years alone, the volume of economic exchanges between the two countries increased several times over, and new and important progress is also envisaged for the current 5-year plan. In order to raise economic relations to an even higher level—in accordance with the possibilities and requirements of the current stage—we are paying particular attention to expanding and diversifying production sharing and specialization, particularly in peak industrial branches. We are also developing cooperation in science, technology, culture, and education.

In close relationship with the major targets of developing ties in the most diverse spheres of the construction of the new system, Romania and the Soviet Union are also cooperating internationally, together with other socialist countries and with the advanced and realistic forces everywhere, in the resolution of key problems facing mankind, in order to eliminate the nuclear danger, bring about disarmament, and ensure peace.

Totu, Shevardnadze Exchange Messages

AU111530 Bucharest SCINTEIA in Romanian 4 Feb 88 p 5

[Text] On the 40th anniversary of the signing of the first Treaty of Friendship, Cooperation, and Mutual Assistance Between Romania and the Soviet Union, an exchange of congratulatory telegrams took place between Ioan Totu, minister of foreign affairs of the SR of Romania, and his Soviet counterpart Eduard Shevardnadze. In the telegrams, the two foreign ministers express the conviction that the relations of fruitful cooperation between the two countries will continue to expand, to the benefit of our peoples and in the interest of the cause of security and peace throughout the world.

Pacoste Attends Iranian Embassy Reception

AU111932 Bucharest AGERPRES in English 1849 GMT 11 Feb 88

[Text] Bucharest, AGERPRES 11/2/1988—Mohamad Jamshid, Bucharest ambassador of the Islamic Republic of Iran, gave a reception on February 11 in marking his country's national day.

The guests included Cornel Pacoste, deputy prime minister of Romania, ministers, executives of the ministry of foreign affairs, of other ministries, central institutions and foreign trade enterprises, men of art and culture.

Diplomatic heads of mission accredited to Romania attended.

Briefs

Trade Agreement With Cuba

Cuba and Romania signed a trade agreement protocol for 1988 in Bucharest today which exceeds the 1987 export level by 10 percent. Romania will supply Cuba with vehicles, spare parts, and medicines, while Cuba will supply Romania with sugar, nickel, concentrated juices, tobacco, and liquor. [Text] [*Havana International Service in Spanish 1800 GMT 22 Jan 88 PA*]

Government Spokesman Discusses Current Topics

USSR's Afghanistan Withdrawal

LD111719 Belgrade TANJUG in English
1624 GMT 11 Feb 88

[Text] Belgrade, February 11 (TANJUG)—Yugoslavia welcomes the announced Soviet troops withdrawal from Afghanistan because it constitutes a contribution to a peaceful settlement of the Afghanistan crisis, Government Spokesman Aleksander Stanic told a news conference here today.

Ambassador Stanic pointed out that Yugoslavia would be pleased to welcome all other steps leading towards the creation of conditions fully ensuring the right of the people of Afghanistan to decide on their future without outside interference.

Iran, Iraq Talks

LD111857 Belgrade TANJUG in English
1805 GMT 11 Feb 88

["Pool" item]

[Text] Belgrade, Feb. 11 (TANJUG)—In their recent talks with Iraqi and Iranian Foreign Ministers Tariq 'Aziz and Dr. 'Ali Akbar Velayati, ranking Yugoslav officials supported the integral implementation of the U.N. Security Council Resolution 598 and all activities aimed at reaching a comprehensive and lasting peace in the Gulf region, Yugoslav Foreign Ministry Spokesman Aleksander Stanic stated at a regular news conference here today.

Stanic said that Yugoslavia expresses readiness to actively contribute to the solution of the Iran-Iraq conflict, as part of the activities of the Non-Aligned Movement and the U.N. Security Council of which it is a member.

The Iraqi vice-president and foreign minister was in Yugoslavia on an official visit earlier this week. The Iranian foreign minister was received by his Yugoslav counterpart Budimir Loncar during a stop-over in Belgrade en route to Warsaw.

In addition to bilateral relations, the Yugoslav foreign secretary discussed both with the Iranian and the Iraqi foreign ministers the most important international issues, especially the Middle and Near East situation.

Expressing support for the just struggle of the Palestinian people for self-determination and independence, Yugoslav and Iraqi officials called for increased efforts to convene an international conference on the Middle East under the U.N. auspices and with the equality-based participation of all parties concerned, including the Palestine Liberation Organization as the sole legitimate representative of the Palestinian people, said Stanic.

The revolt in the occupied territories was assessed by both sides as an undoubted confirmation of the Palestinian people's complete identification with the PLO and its legitimate leadership, he noted.

Mojsov Message to 'Arafat

LD111604 Belgrade TANJUG in English
1521 GMT 11 Feb 88

["Pool" item]

[Text] Belgrade, February 11 (TANJUG)—In a recent oral message to PLO leader Yasir 'Arafat, president of the Yugoslav State Presidency Lazar Mojsov dealt with Yugoslavia's activities in extending support to the organization's just struggle for an integral and comprehensive settlement of the Palestinian question, Foreign Secretariat Spokesman Aleksander Stanic told reporters here today.

Asked about the contents of the message, Ambassador Stanic said it related in particular to Yugoslavia's activities in the UN Security Council, whose member it became this year.

He repeated that Yugoslavia sees holding of an international conference on the Middle East as the right way for resolving the Palestinian question, and said that his country will continue to support the PLO.

Mojsov's message was conveyed in reply to several messages by 'Arafat, who acquainted the Yugoslav leadership with his views on individual current problems and political activities in the region, especially as concerns the situation in the occupied territories, said Stanic.

He assessed the long-standing practice of exchange of messages between Yugoslavia and the PLO as an important and useful form of top-level dialogue between them.

Ties With Saudi Arabia

LD111627 Belgrade TANJUG in English
1548 GMT 11 Feb 88

[Text] Belgrade, Feb 11 (TANJUG)—Notwithstanding the absence of formal diplomatic relations between the two countries Yugoslav-Saudi relations are developing well, said government spokesman Aleksander Stanic at today's press conference in Belgrade.

This was noted during a recent talk in Rome between Yugoslav Foreign Secretary Budimir Loncar and Saudi Arabia's ambassador, recalled Stanic. On behalf of the member countries of the Gulf Cooperation Council, the ambassador handed to Loncar a written message from Saudi Arabia's King Fahd for president of the Yugoslav State Presidency Lazar Mojsov.

On the occasion, said Ambassador Stanic, it was noted that a dialogue and cooperation between Yugoslavia and Saudi Arabia exist, especially within the Nonaligned Movement and in the U.N.[names as received]

Waldheim, Relations With Austria

LD111722 Belgrade TANJUG in English 1610 GMT 11 Feb 88

[Text] Belgrade, February 11 (TANJUG)—The Yugoslav Government appreciates the fact that Dr Kurt Waldheim is president of Austria, but no Yugoslav official has had any contact with him since his war past relating to sufferings of the Yugoslav peoples surfaced two years ago, Government Spokesman Stanic told at a press conference here today.

At the same time, I wish to emphasize that Yugoslav-Austrian relations are successfully developing in the spirit of good-neighbourliness, said Ambassador Stanic at the conference that attracted a large number of foreign correspondents. This was borne out, among other things, by the meetings that the prime ministers and foreign ministers of the two countries had had over the period under review.

The official government spokesman confirmed yesterday's TANJUG report that a commission of experts set up by responsible Yugoslav bodies had concluded that the telegram implicating Waldheim in the wartime deportation of captive civilians from the Mount Kozara area is not authentic. A court inquiry to find those responsible was started on the grounds of justified suspicion that a forged document was involved.

Stanic recalled his recent statement that Yugoslavia has always had and still has "all historical and moral reasons for the establishment of the fullest possible truth on developments on its territory and the sufferings of its citizens during the Second World War." He pointed out at the time that "there can be no exception in this regard."

Waldheim Case Professor Praises Historians

LD112115 Belgrade TANJUG in English 1850 GMT 11 Feb 88

[Text] Bonn, February 11 (TANJUG)—West German Professor Manfred Messerschmidt who, as member of the International Commission of Historians was recently in Belgrade and Zagreb researching documents on the wartime past of Austrian President Kurt Waldheim, has spoken favourably of his cooperation with Yugoslav archives.

Appearing in West German television's (ARD) Channel One programme on "Case Waldheim," Professor Messerschmidt said last night that he had a "forthcoming and broadminded" reception from his Yugoslav colleagues and was not barred access to any archive.

He disagreed with ARD's reporter from Belgrade who claimed that the access to Yugoslav archives was only approved on a selective basis and that the archives were in "disorder" and with "cellars full of unprocessed documents."

Yugoslav archivists know exactly what they have at their disposal, said Professor Messerschmidt.

U.S. Closure of UN PLO Office Criticized

LD112119 Belgrade TANJUG in English 1901 GMT 11 Feb 88

[Text] Washington, February 11 (TANJUG)—The U.S. Justice Department will next week most probably comply with the Congress demand and close the representative office of the Palestine Liberation Organization (PLO) at the United Nations Headquarters in New York, the U.S. press reports today, citing statements by spokesmen of the Justice and State Departments, and Congress sources.

If the PLO offices are closed, the U.S. will violate international obligations towards the U.N. which provide, among other things, that missions in the U.N. can operate within it regardless of U.S. laws.

It is not yet known how the United Nations might react to the U.S. decision, but it is claimed here that the U.N. General Assembly might, in protest, move its headquarters from New York to Geneva. It is speculated also that the U.N. might bring the case before the International Court in The Hague.

The State Department opposes the closing of the PLO Bureau in the U.N. It seems to be the only department of the U.S. Administration that is aware that the U.S. will violate international law if it goes through with this action.

Krunic Receives Greek Communist Party Group

LD111236 Belgrade TANJUG Domestic Service in Serbo-Croatian 1005 GMT 11 Feb 88

[Text] Belgrade, 11 Feb (TANJUG)—Bosko Krunic, president of the LCY Central Committee Presidium, today received a delegation of the Greek Communist Party headed by Orestis Kolozof. The delegation also includes Flora Nikolidhaki, candidate member of the Greek Communist Party Central Committee. Talks which took place on this occasion were attended by Vasil Tupurkovski, member of the LCY Central Committee Presidium.

Bosko Krunic informed the Greek guest about the main characteristics of the current sociopolitical situation in our country and about the directions of activity on the part of the LC organs and organizations in implementing the resolutions and stances of the 13th LCY Congress and in the efforts to stabilize the economy and to further develop the system of socialist self-management.

Reference was also made to cooperation between the LCY and the Communist Party of Greece, which both sides assessed as an important factor of the efforts to further advance overall good-neighborly relations between Yugoslavia and Greece.

DELO Comments on Mikulic Assembly Speech

AU111543 Ljubljana DELO in Slovene 4 Feb 88 p 1

[Joze Petrovcic commentary: "Gauntlet Returned"]

[Text] Tell us who hampers you so that you are not efficient. Tell us so that we, too, will gang up on him and so that we can try to make some progress together. However, if you do not succeed in showing us where the causes of your inefficiency are, you stand in our way and you must step aside.

It is in this way that we have interpreted Zabukovec's delegate question, posed to FEC President Branko Mikulic, considering our circumstances in a rather provocative way, in the Federal Assembly about one month ago. In response to his question, the delegate (and thus we) received a rather long answer, which can be summarized by the following thought: The FEC is making great efforts to eliminate the economic crisis (and to reduce inflation), but it is greatly hampered in these efforts; the great obstacles are ideological, tremendous ones are built into the economic system, and the gaps in interest among the republics have opened up like graves. There they are, and now grapple with them, as the FEC is grappling, despite its hands being tied.

Or in other words: Criticize the FEC if you like. The economic crisis is not the fault of the FEC alone.

The reasoning is simplistic, and intentionally so. The FEC is the peak that attracts the thunderbolts of criticism. It is the first body to deal with the economic situation in the state. It is the first body that is responsible if there is no improvement. It is also the first body that must decide what is to be done if it is not successful. It is the body that must prove itself. Generalized statements, which may be repeated at various ideological forums again and again, cannot serve as an excuse to the government. Evidence of ability is provided by government men who, for instance, shamefacedly descend from television rostrums.

Minister for Markets Interviewed on Price Rises

AU111451 Belgrade BORBA in Serbo-Croatian 10 Feb 88 p 1

[TANJUG report: "The FEC Will Not Give Up"]

[Text] Belgrade, 9 Feb (TANJUG)—The approval of all the price rises demanded by working organizations would lead to a monthly increase in retail prices of as much as 18.5 percent. Under present circumstances this is unacceptable and the FEC should continue to be restrictive and should strive as far as possible to maintain the price parity established by the introduction of intervention measures, Aleksandar Donev, federal secretary for markets and general economic affairs said to Dragan Janjic, journalist for TANJUG.

Donev particularly warned that relaxation would soon lead to the formation of the same price relations that had existed in the market before the intervention measures. At the same time this would mean significant deviation from the agreed economic policy.

The FEC, of course, cannot exclude the possibility of occasional price adjustments of some products, above all of those which are imported or depend to a large extent upon imported raw materials. It is wrong, Donev said, to interpret FEC decisions as a rigid "freeze" which cannot be abandoned at any price. After all, the decisions state that in the process of formation, prices will occasionally be adjusted.

In addition, we must also keep the supply of the domestic market in mind. This applies in particular to milk, detergent, and other products of vital importance to citizens. Producers have been put in a difficult position and we must correct this. In cases of this kind, however, the "appetite" of working organizations extends far beyond what the federal organs hoped they would consider acceptable.

Donev especially warned that attempts are being made to outwit the FEC decisions on increasing prices. This has especially occurred in the case of the coffee price, which has risen by 40 percent instead of the expected 19 percent. The first market inspectors' findings confirm that the roasters and importers have made incorrect calculations, and that measures of responsibility will shortly be taken against them. At present I do not know what kind of measures.

Talking about the flood of theses "gray prices," federal secretary for markets especially warned of the danger of so-called new products. Instead of being the result of technological advances and having even lower production costs, in our case they now almost exclusively serve to facilitate illegal price rises. And here inspection and supervision will be particularly strict.

Sarajevo Tram Drivers' Strike Ends

LD102102 Belgrade TANJUG Domestic Service in Serbo-Croatian 1622 GMT 10 Feb 88

[Summary] Sarajevo, 10 Feb (TANJUG)—The strike by Sarajevo tram drivers ended today. A decision was made by the workers' council of the city transport organization to agree to the tram drivers' demands and their starting pay will now be 270,000 dinars. Many people were late for work this morning as a result of the strike.

Workers Strike Over Income Disparity

LD112129 Belgrade TANJUG Domestic Service in Serbo-Croatian 1615 GMT 11 Feb 88

[Text] Banja Luka, 11 Feb (TANJUG)—Nearly 200 workers at the light and medium machining labor unit stopped their machines today, declaring that they are dissatisfied with the differences in their personal incomes compared with those in other Jelsingrad tool works labor units. The first group of dissatisfied workers stopped work last night. The workers believe that their contribution is no less than that in the other 13 labor units at the tool works, and that it is unacceptable that the average personal incomes in the light and medium machining unit amounted in December to about 300,000 dinars, while others had up to 450,000 dinars.

The tool works basic organization of associated labor operates as part of the Masinogradnja Jelsingrad work organization, and is among the most successful labor collectives in Banja Luka. Thus, their personal incomes have for decades been at the top of the earnings list in the town.

The management of the work organization considers the light and medium machining unit action to be unacceptable, because the problem which has arisen should have been discussed outside working time in the regular organs of the basic organization of associated labor, and the changes should not be extorted by pressure. The strike is continuing.

Pristina Bank Officials Dismissed

AU111144 Belgrade BORBA in Serbo-Croatian 4 Feb 88 p 12

[R.B. report: "Ljubljanska Banka Directors Replaced"]

[Text] Pristina, 3 Feb—The board of the Ljubljanska Bank in Pristina made the decision today to dismiss Musa Musi, president of the managing board, and Zeca Ferovic and Milan Djorovic, deputy presidents. It is recommended that the personnel department of the bank should find them appropriate jobs.

The reason is clear: irregularities in the conduct of banking affairs, dubious financial results, and uncovered losses. It has been publicly announced that this bank granted significantly increased amounts in loans which citizens obtained with preferential conditions and at cheap prices. As was heard at the session, many of the borrowers did not have proper documentation, and some did not even sign a contract, although they received the money.